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REFERENCE TITLE: **general appropriations; budget.**

State of Arizona  
Senate  
Forty-seventh Legislature  
First Regular Session  
2005

## **SB 1513**

Introduced by  
Senators Burns, Bee, Bennett, Blendu, Huppenthal: Martin, Tibshraeny (with  
permission of committee on Rules)

**AN ACT**

**MAKING APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Subject to applicable laws, the sums or sources of revenue  
3 set forth in this act are appropriated for the fiscal years indicated and  
4 from the funding sources listed for the purposes and objects specified and  
5 the performance measures are indicated as legislative intent.

6 Sec. 2. BOARD OF ACCOUNTANCY

	<u>2005-06</u>	<u>2006-07</u>
7 FTE positions	13.0	13.0
8 Lump sum appropriation	\$ 2,152,200**	\$ 2,154,600
9 Fund sources:		
10 Board of accountancy fund	\$ 2,152,200	\$ 2,154,600
11 Performance measures:		
12 Average calendar days to resolve a complaint	160	160
13 Average calendar days to renew a license	1.0	1.0
14 Customer satisfaction rating (Scale 1-8)	7.0	7.0

15 Sec. 3. ACUPUNCTURE BOARD OF EXAMINERS

	<u>2005-06</u>	<u>2006-07</u>
17 FTE positions	1.0	1.0
18 Lump sum appropriation	\$ 97,500**	\$ 97,600
19 Fund sources:		
20 Acupuncture board of examiners	\$ 97,500	\$ 97,600
21 fund		
22 Performance measures:		
23 Average calendar days to resolve a complaint	90	90
24 Average calendar days to renew a license	5	5
25 Customer satisfaction rating (Scale 1-8)	7.0	7.0

26 Sec. 4. DEPARTMENT OF ADMINISTRATION

	<u>2005-06</u>
28 <u>State general fund</u>	
29 FTE positions	297.3
30 Operating lump sum appropriation	\$ 17,831,400
31 ENSCO	5,310,300
32 Arizona financial information	
33 system	<u>939,800</u>
34 Total - general fund	\$ 24,081,500
35 Performance measures:	
36 Per cent of ADOA services receiving a good	
37 (6) or better rating from customers,	
38 based on annual survey (Scale 1-8)	75
39 Average cycle time for requests for	
40 proposal (RFP) (in days)	40.0
41 Customer satisfaction with establishing	
42 and administering contracts (Scale 1-8)	6.1

1 Customer satisfaction rating for the  
 2 operation of AFIS (Scale 1-8) 6.5  
 3 Average capitol police response time to  
 4 emergency calls (in minutes and seconds) 1:40  
 5 The department may collect an amount of not to exceed \$1,762,600 from  
 6 other funding sources, excluding federal funds, to recover pro rata costs of  
 7 operating AFIS II. Any amounts left unspent from the Arizona financial  
 8 information system special line item shall revert to the state general fund.  
 9 Air quality fund  
 10 Lump sum appropriation \$ 574,100  
 11 Performance measures:  
 12 Customer satisfaction with all travel reduction  
 13 services (Scale 1-8) 6.5  
 14 The amounts appropriated for the state employee transportation service  
 15 subsidy shall be used for up to a one hundred per cent subsidy of charges  
 16 payable for transportation service expenses as provided in section 41-786,  
 17 Arizona Revised Statutes, of nonuniversity state employees in a vehicle  
 18 emissions control area as defined in section 49-541, Arizona Revised  
 19 Statutes, of a county with a population of more than four hundred thousand  
 20 persons.  
 21 Capital outlay stabilization fund  
 22 FTE positions 56.7  
 23 Operating lump sum appropriation \$ 5,111,000  
 24 Utilities 5,733,800  
 25 Relocation 60,000  
 26 Total - capital outlay stabilization  
 27 fund \$ 10,904,800  
 28 Performance measures:  
 29 Customer satisfaction rating for building  
 30 maintenance (Scale 1-8) 6.5  
 31 Monies in the relocation special line item are exempt from the  
 32 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing  
 33 of appropriations until December 31, 2006.  
 34 Corrections fund  
 35 FTE positions 9.3  
 36 Lump sum appropriation \$ 645,500  
 37 It is the intent of the legislature that the amount appropriated from  
 38 the corrections fund be expended solely for the oversight of construction  
 39 projects benefiting the state department of corrections or the department of  
 40 juvenile corrections.  
 41 Motor vehicle pool revolving fund  
 42 FTE positions 19.0  
 43 Lump sum appropriation \$ 11,619,300

1 Performance measures:

2 Customer satisfaction with short-term (day use)

3	vehicle rental (Scale 1-8)	7.7
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4           It is the intent of the legislature that the department not replace  
5   vehicles until an average of six years and 120,000 miles, or later.

6           Telecommunications fund

7	FTE positions	22.0
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8	Lump sum appropriation	\$ 2,059,200
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9 Performance measures:

10 Customer satisfaction rating for the wide area

11	network (MAGNET) (Scale 1-8)	7.5
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12 Customer satisfaction rating for statewide

13 telecommunications management contract

14	services (Scale 1-8)	7.0
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15 The appropriation for the telecommunications fund is an estimate  
16 representing all monies, including balance forward, revenue and transfers  
17 during fiscal year 2005-2006. These monies are appropriated to the  
18 department of administration for the purposes established in section 41-713,  
19 Arizona Revised Statutes. The appropriation shall be adjusted as necessary  
20 to reflect receipts credited to the telecommunications fund for  
21 telecommunications program office projects. Expenditures above \$2,059,200  
22 for all additional telecommunications program office projects shall be  
23 subject to review by the joint legislative budget committee, following  
24 approval of the government information technology agency. Expenditures for  
25 each additional project shall not exceed the specific revenues of that  
26 project.

27      Automation operations fund

28	FTE positions	158.4
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29	Lump sum appropriation	\$ 23,317,300
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30 Performance measures:

31 Customer satisfaction rating for mainframe

32	services based on annual survey (Scale 1-8)	7.8
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The appropriation for the automation operations fund is an estimate representing all monies, including balance forward, revenue and transfers during fiscal year 2005-2006. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect receipts credited to the automation operations fund for automation operation center projects. Expenditures for all additional automation operation center projects shall be subject to review by the joint legislative budget committee, following approval of the government information technology agency. Expenditures for each additional project shall not exceed the specific revenues of that project.

1	<u>Risk management fund</u>	
2	FTE positions	96.0
3	Operating lump sum appropriation	\$ 7,200,500
4	Risk management losses and premiums	43,686,700
5	Workers' compensation losses and	
6	premiums	24,587,500
7	External legal services	5,085,800
8	Nonlegal related expenditures	<u>2,877,200</u>
9	Total - risk management fund	\$ 83,437,700
10	Performance measures:	
11	Workers' compensation incidence rates/100	
12	FTE positions	5.0
13	Customer satisfaction with self-insurance	
14	(Scale 1-8)	6.8
15	<u>Personnel division fund</u>	
16	FTE positions	139.0
17	Operating lump sum appropriation	\$ 11,826,500
18	Human resources information solution	
19	certificate of participation	<u>2,838,600</u>
20	Total - personnel division fund	\$ 14,665,100
21	Performance measures:	
22	Customer satisfaction with employee training	
23	(Scale 1-8)	6.1
24	<u>Special employee health insurance</u>	
25	<u>trust fund</u>	
26	FTE positions	36.0
27	Lump sum appropriation	\$ 4,830,100
28	Performance measures:	
29	Customer satisfaction with benefit plans	
30	(Scale 1-8)	6.2
31	<u>State surplus materials revolving</u>	
32	<u>fund</u>	
33	FTE positions	16.0
34	Operating lump sum appropriation	\$ 1,129,000
35	State surplus property sales	
36	proceeds	<u>3,000,000</u>
37	Total - state surplus materials	
38	revolving fund	\$ 4,129,000
39	All state surplus property sales proceeds received by the department in	
40	excess of \$3,000,000 are appropriated. Before the expenditure of any state	
41	surplus property sales proceeds in excess of \$3,000,000, the department shall	
42	report the intended use of the monies to the joint legislative budget	
43	committee.	

1	<u>Federal surplus materials revolving</u>		
2	<u>fund</u>		
3	FTE positions	7.0	
4	Lump sum appropriation	\$ 387,000	
5	Total appropriation - department of		
6	administration	\$180,650,600	
7	Fund sources:		
8	State general fund	\$ 24,081,500	
9	Other appropriated funds	156,569,100	
10	Sec. 5. OFFICE OF ADMINISTRATIVE HEARINGS		
11		<u>2005-06</u>	<u>2006-07</u>
12	FTE positions	15.0	15.0
13	Lump sum appropriation	\$ 1,118,100	\$ 1,118,100
14	Fund sources:		
15	State general fund	\$ 1,104,200	\$ 1,104,200
16	AHCCCS donations fund	13,900	13,900
17	Performance measures:		
18	Average days from request for hearing to		
19	transmission of decision to the agency	70	70
20	Evaluations rating the administrative law		
21	judge "excellent" or "good" in impartiality	97	97
22	The office of administrative hearings shall enter into interagency		
23	service agreements to provide services pursuant to title 41, chapter 6,		
24	article 10, Arizona Revised Statutes.		
25	Sec. 6. DEPARTMENT OF AGRICULTURE		
26		<u>2005-06</u>	<u>2006-07</u>
27	FTE positions	234.2	234.2
28	Operating lump sum appropriation	\$ 12,850,600	\$ 12,850,600
29	Agricultural employment relations		
30	board	23,300	23,300
31	Animal damage control	65,000	65,000
32	Red imported fire ant	<u>23,200</u>	<u>23,200</u>
33	Total appropriation - department of		
34	agriculture	\$ 12,962,100	\$ 12,962,100
35	Fund sources:		
36	State general fund	\$ 10,224,300	\$ 10,224,300
37	Aquaculture fund	9,200	9,200
38	Arizona protected native plant fund	162,100	162,100
39	Citrus, fruit and vegetable		
40	revolving fund	920,700	920,700
41	Commercial feed fund	270,200	270,200

1	Agricultural consulting and		
2	training fund	64,500	64,500
3	Dangerous plants, pests and		
4	diseases fund	21,400	21,400
5	Egg inspection fund	646,200	646,200
6	Fertilizer materials fund	267,300	267,300
7	Livestock custody fund	79,400	79,400
8	Pesticide fund	247,000	247,000
9	Seed law fund	49,800	49,800
10	Performance measures:		
11	Per cent of industry stakeholders rating		
12	the department's quality of communication		
13	excellent or good	95	95
14	Per cent of meat and poultry product tests		
15	in compliance with bacteria, drug and		
16	chemical residue requirements	100	100
17	Per cent of inspections within the state		
18	interior resulting in pest interceptions	32.0	32.0
19	Overall customer satisfaction rating for		
20	laboratory services (per cent)	98	98
21	Sec. 7. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM		
22		<u>2005-06</u>	
23	<u>Administration</u>		
24	FTE positions	3,096.8	
25	Operating lump sum appropriation	\$ 61,234,800	
26	DOA data center charges	5,717,500	
27	Indian advisory council	205,300	
28	DES eligibility	45,637,900	
29	DES title XIX pass-through	317,000	
30	Healthcare group administration		
31	and reinsurance	3,530,500	
32	Office of administrative hearings	195,300	
33	KidsCare - administration	8,249,200	
34	Proposition 204 - AHCCCS		
35	administration	9,944,400	
36	Proposition 204 - pass-through		
37	administration	33,166,300	
38	Medicare clawback payments	<u>- 0 -</u>	
39	Total appropriation and expenditure		
40	authority - administration	\$ 168,198,200	

1 Fund sources:  
 2 State general fund \$ 72,251,000  
 3 Children's health insurance  
 4 program fund 6,384,600  
 5 Budget neutrality compliance  
 6 fund 2,395,400  
 7 Health care group fund 3,530,500  
 8 Expenditure authority 83,636,700  
 9 Performance measures:  
 10 Per cent of applications processed on time 95  
 11 Customer satisfaction rating for eligibility  
 12 determination clients (Scale 1-8) 6.0  
 13 It is the intent of the legislature that the appropriation for the  
 14 department of administration data center charges be used only for the payment  
 15 of charges incurred by the department for the use of computing services  
 16 provided by the department of administration data center.  
 17 The amounts appropriated for the department of economic security  
 18 eligibility special line item shall be used for intergovernmental agreements  
 19 with the department of economic security for the purpose of eligibility  
 20 determination and other functions. The general fund share may be used for  
 21 eligibility determination for other programs administered by the division of  
 22 benefits and medical eligibility based on the results of the Arizona random  
 23 moment sampling survey.  
 24 The Arizona health care cost containment system administration shall  
 25 report to the joint legislative budget committee by January 1 of each year on  
 26 the agency's use of the cost savings that results from entering into an  
 27 agreement with another state as outlined in Laws 1999, chapter 313, section  
 28 27. The report shall also include detail on the source of all revenues and  
 29 expenditure of monies from the intergovernmental service fund.  
 30 The Arizona health care cost containment system shall report to the  
 31 joint legislative budget committee on a quarterly basis on federal  
 32 programmatic changes and changes in federal funds availability, including the  
 33 redistribution of Title XXI funds to Arizona.  
 34 The Arizona health care cost containment system shall report by  
 35 September 30 of each year to the joint legislative budget committee on the  
 36 services that receive reimbursement from the federal government under the  
 37 medicaid in public school initiative. The report shall include information  
 38 on the type of services, how those services meet the definition of medical  
 39 necessity and the total amount of federal dollars that the schools have  
 40 received under the medicaid in public school initiative.



The Arizona health care cost containment system shall transfer any savings from the implementation of a federal program providing prescription drug benefits to persons otherwise eligible for AHCCCS to the medicare clawback payments line item to make the required payments to the federal government. Before the expenditure of monies for medicare clawback payments, the Arizona health care cost containment system shall report its expenditure plan to the joint legislative budget committee for review. The report shall also include information on the calculation of the clawback payment amounts as well as estimates of the savings from the acute care and Arizona long-term care system programs that are being used to make the payments to medicare.

Acute care

Capitation	\$1,727,337,900
Reinsurance	93,259,400
Fee-for-service	445,833,800
Medicare premiums	56,769,400
Graduate medical education	21,820,000
Disproportionate share payments	122,191,500
Critical access hospitals	1,700,000
Breast and cervical cancer	675,600
Ticket to work	5,075,900
Proposition 204 - capitation	1,014,780,900
Proposition 204 - reinsurance	80,354,300
Proposition 204 - fee-for-service	168,121,600
Proposition 204 - medicare	
premiums	19,907,700
Proposition 204 - county hold	
harmless	4,825,600
KidsCare - children	82,448,600
KidsCare - parents	37,781,000
Rural hospital reimbursement	<u>12,158,100</u>
Total appropriation and expenditure	
authority - acute care	\$3,895,041,300
Fund sources:	
State general fund	\$ 863,210,800
Children's health insurance	
program fund	94,435,300
Tobacco tax and health care	
fund - medically needy	
account	79,128,800
Tobacco products tax fund -	
emergency health services	
account	27,922,900

1 Expenditure authority 2,830,343,500

2 Performance measures:

3 Per cent of well child visits in the first

4 15 months of life (EPSDT) 72

5 Per cent of children's access to primary

6 care provider 85

7 Per cent of women receiving annual cervical

8 screening 55

9 Member satisfaction as measured by

10 percentage of enrollees that choose

11 to change health plans 3.5

12 The fiscal year 2005-2006 disproportionate share payment of  
 13 \$122,191,500 is based on the federal fiscal year 2005-2006 authorized  
 14 expenditure level of \$81,843,900. If the final federal expenditure  
 15 authorization is an amount different from the estimate, the governor shall  
 16 direct the Arizona health care cost containment system administration,  
 17 subject to the availability of monies and subject to review of the joint  
 18 legislative budget committee, to proportionately adjust authorization amounts  
 19 among the identified recipients of the disproportionate share hospital  
 20 payment. Before the final payment, the governor shall provide notification  
 21 to the president of the senate, the speaker of the house of representatives,  
 22 the chairmen of the house and senate appropriations committees and the staff  
 23 director of the joint legislative budget committee of the adjusted federal  
 24 authorized expenditure level and the proposed distribution plan for these  
 25 monies.

26 The appropriation for disproportionate share payments for fiscal year  
 27 2005-2006 made pursuant to section 36-2903.01, subsection P, Arizona Revised  
 28 Statutes, includes \$67,568,900 for qualifying county operated hospitals,  
 29 \$26,147,700 for private qualifying disproportionate share hospitals and  
 30 \$28,474,900 for deposit in the Arizona state hospital fund.

31 Of the \$4,825,600 appropriated for the proposition 204 county hold  
 32 harmless line, \$234,200 is allocated to Graham county, \$3,817,800 to Pima  
 33 county, \$234,400 to Greenlee county, \$159,700 to La Paz county, \$214,800 to  
 34 Santa Cruz county and \$164,700 to Yavapai county to offset a net loss in  
 35 revenue due to the implementation of proposition 204, and shall be used for  
 36 indigent health care costs.

37 Long-term care

38 Program lump sum appropriation \$999,447,400

39 Board of nursing 209,700

40 Total appropriation and expenditure

41 authority - long-term care \$999,657,100

42 Fund sources:

43 State general fund \$107,156,600

1	Expenditure authority	892,500,500
2	Performance measures:	
3	Per cent of members utilizing home and	
4	community based services (HCBS)	65
5	Per cent of ALTCS eligibility as measured by	
6	quality control sample	97
7	Any federal funds that the Arizona health care cost containment system	
8	administration passes through to the department of economic security for use	
9	in long-term administration care for the developmentally disabled shall not	
10	count against the long-term care expenditure authority above.	
11	Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the	
12	county portion of the fiscal year 2005-2006 nonfederal portion of the costs	
13	of providing long-term care system services is \$218,738,100. This amount is	
14	included in the expenditure authority fund source.	
15	Total appropriation and expenditure	
16	authority - Arizona health	
17	care cost containment system	\$5,062,896,600
18	Appropriated fund sources:	
19	State general fund	\$1,042,618,400
20	Children's health insurance	
21	program fund	100,819,900
22	Budget neutrality compliance fund	2,395,400
23	Health care group fund	3,530,500
24	Tobacco tax and health care	
25	fund - medically needy account	79,128,800
26	Tobacco products tax fund -	
27	emergency health services	
28	account	27,922,900
29	Expenditure authority	\$3,806,480,700
30	Performance measures:	
31	Per cent of people under age 65 that	
32	are uninsured	24
33	Before making fee-for-service program or rate changes that pertain to	
34	hospital, nursing facility or home and community based services rates or for	
35	any of the other fee-for-service rate categories that have increases that, in	
36	the aggregate, are two per cent above and \$1,500,000 from the state general	
37	fund greater than budgeted medical inflation in fiscal year 2005-2006, the	
38	Arizona health care cost containment system administration shall report its	
39	expenditure plan to the joint legislative budget committee for review.	
40	Any savings realized due to the implementation of a federal program	
41	providing prescription drug benefits to persons otherwise eligible for AHCCCS	
42	benefits shall be transferred to the medicare clawback payments line item in	
43	the Arizona health care cost containment system administration cost center.	

The Arizona health care cost containment system shall report to the joint legislative budget committee by March 1 of each year on the preliminary actuarial estimates of the capitation rate increases for the following fiscal year. Before implementation of any changes in capitation rates, the Arizona health care cost containment system administration shall report its expenditure plan to the joint legislative budget committee for review. Unless required for compliance with federal law, before the administration implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the administration shall submit the policy changes to the joint legislative budget committee for review. The administration shall also report quarterly to the joint legislative budget committee itemizing all policy changes with fiscal impacts of less than \$500,000 in state costs.

Sec. 8. BOARD OF APPRAISAL

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	4.5	4.5
Lump sum appropriation	\$ 600,800**	\$ 536,300
Payment of fiscal year 2001-2002 expenses	<u>800</u>	<u>- 0 -</u>
Total appropriation - board of appraisal	\$ 601,600	\$ 536,300
Fund sources:		
Board of appraisal fund	\$ 601,600	\$ 536,300
Performance measures:		
Average calendar days to resolve a complaint	110	110
Customer satisfaction rating (Scale 1-8)	7.2	7.2

Sec. 9. ARIZONA COMMISSION ON THE ARTS

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	11.5	11.5
Operating lump sum appropriation	\$ 555,100	\$ 555,100
Community service projects	1,263,100	1,263,100
Arts endowment fund	<u>2,000,000</u>	<u>2,000,000</u>
Total appropriation - Arizona commission on the arts	\$ 3,818,200	\$ 3,818,200
Fund sources:		
State general fund	\$ 3,818,200	\$ 3,818,200
Performance measures:		
Customer satisfaction rating (Scale 1-8)	7.5	7.5

1	Sec. 10. ATTORNEY GENERAL - DEPARTMENT OF LAW	
2		<u>2005-06</u>
3	FTE positions	619.9
4	Operating lump sum appropriation	\$ 40,426,600
5	State grand jury	160,100
6	Victims' rights	3,211,200
7	Risk management interagency	
8	service agreement	<u>8,002,900</u>
9	Total appropriation - attorney general -	
10	department of law	\$ 51,800,800
11	Fund sources:	
12	State general fund	\$ 20,829,100
13	Antitrust enforcement revolving	
14	fund	196,500
15	Attorney general legal services	
16	cost allocation fund	2,192,100
17	Collection enforcement revolving	
18	fund	4,007,600
19	Consumer fraud revolving fund	2,895,500
20	Interagency service agreements	
21	fund	10,465,900
22	Risk management revolving fund	8,002,900
23	Victims' rights fund	3,211,200
24	Performance measures:	
25	Solicitor general - number of days to respond	
26	to a request for a legal opinion	70
27	Customer satisfaction rating for client	
28	agencies (Scale 1-8)	7.3
29	The \$160,100 appropriated for state grand jury expenses is for costs	
30	incurred pursuant to section 21-428, subsection C, Arizona Revised Statutes.	
31	It is the intent of the legislature that state grand jury expenses be limited	
32	to the amount appropriated and that a supplemental appropriation will not be	
33	provided.	
34	The attorney general shall notify the president of the senate, the	
35	speaker of the house of representatives and the joint legislative budget	
36	committee before entering into a settlement of \$100,000 or more that will	
37	result in the receipt of monies by the attorney general or any other person.	
38	The attorney general shall not allocate or expend these monies until the	
39	joint legislative budget committee reviews the allocations or expenditures.	
40	Settlements that pursuant to statute must be deposited in the state general	
41	fund need not be reviewed by the joint legislative budget committee. This	
42	paragraph does not apply to actions under title 13, Arizona Revised Statutes,	
43	or other criminal matters.	

In addition to the \$10,465,900 appropriated from the interagency service agreements fund, an additional \$800,000 and 11 FTE positions are appropriated from the interagency service agreements fund for new or expanded interagency service agreements. The attorney general shall report to the joint legislative budget committee whenever an interagency service agreement is established that will require expenditures from the additional amount. The report shall include the name of the agency or entity with which the agreement is made, the dollar amount of the contract by fiscal year and the number of associated FTE positions.

All revenues received by the antitrust enforcement revolving fund in excess of \$196,500 are appropriated. Expenditures from the fund may not exceed \$750,000 in fiscal year 2005-2006. Before the expenditure of any antitrust enforcement revolving fund receipts in excess of \$196,500 in fiscal year 2005-2006, the attorney general shall submit the intended uses of the monies for review by the joint legislative budget committee.

Sec. 11. AUTOMOBILE THEFT AUTHORITY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	6.0	6.0
Lump sum appropriation	\$ 597,600	\$ 597,600
Automobile theft authority grants	4,200,500	4,200,500
Reimbursable programs	<u>25,000</u>	<u>50,000</u>
Total appropriation - auto theft authority	\$ 4,823,100	\$ 4,848,100
Fund sources:		
Automobile theft authority fund	\$ 4,823,100	\$ 4,848,100
Performance measures:		
Felony auto theft arrests by auto theft task force	330	330
Per cent of stolen vehicles recovered	5.2	5.2
Number of vehicles stolen statewide (calendar year)	55,000	55,000
Customer satisfaction rating (Scale 1-3, 1 highest)	1.0	1.0

The automobile theft authority shall submit a report to the joint legislative budget committee for review before expending any monies for the reimbursable programs special line item. The agency shall also show sufficient funds collected to cover the expenses indicated in the report.

Sec. 12. BANKING DEPARTMENT (STATE DEPARTMENT OF FINANCIAL INSTITUTIONS)

	<u>2005-06</u>
FTE positions	50.1
Lump sum appropriation	\$ 3,017,700
Fund sources:	
State general fund	\$ 3,017,700

1	Performance measures:			
2	Per cent of examinations reports mailed			
3	within 25 days of examiner's completion			
4	of exam procedures		90.0	
5	Per cent of license applications approved			
6	within 45 days of receipt		95.0	
7	Per cent of examinations receiving			
8	satisfactory rating		91.0	
9	Average days from receipt to resolution			
10	of regular complaints		28.0	
11	Per cent of complainants indicating they			
12	received "good" or better service when			
13	filing a complaint		65.0	
14	The banking department (state department of financial institutions)			
15	shall assess and set fees to ensure that monies deposited in the state			
16	general fund will equal or exceed its expenditure from the state general			
17	fund.			
18	Sec. 13. BOARD OF BARBERS			
19			<u>2005-06</u>	<u>2006-07</u>
20	FTE positions		4.0	4.0
21	Lump sum appropriation	\$	230,600**	\$ 230,600
22	Fund sources:			
23	Board of barbers fund	\$	230,600	\$ 230,600
24	Performance measures:			
25	Average calendar days to resolve a complaint		21	21
26	Average calendar days to renew a license		2	2
27	Customer satisfaction rating (Scale 0-100)		90	90
28	Sec. 14. BOARD OF BEHAVIORAL HEALTH EXAMINERS			
29			<u>2005-06</u>	<u>2006-07</u>
30	FTE positions		13.0	13.0
31	Lump sum appropriation	\$	1,364,200**	\$ 1,259,800
32	Fund sources:			
33	Board of behavioral health			
34	examiners fund	\$	1,364,200	\$ 1,259,800
35	Performance measures:			
36	Average days to resolve a complaint		244	244
37	Average days to renew a license		19	19
38	Customer satisfaction rating (Scale 1-8)		6.7	6.7
39	Sec. 15. DEPARTMENT OF BUILDING AND FIRE SAFETY			
40			<u>2005-06</u>	<u>2006-07</u>
41	FTE positions		52.0	52.0
42	Lump sum appropriation	\$	3,278,400	\$ 3,278,400
43	Fund sources:			
44	State general fund	\$	3,278,400	\$ 3,278,400

1	Performance measures:			
2	Per cent of manufactured homes complaints			
3	closed vs. complaints filed	94		94
4	Customer satisfaction rating (Scale 1-5)	4.7		4.7
5	Sec. 16. STATE BOARD FOR CHARTER SCHOOLS			
6		<u>2005-06</u>		<u>2006-07</u>
7	FTE positions	10.0		10.0
8	Lump sum appropriation	\$ 712,700	\$	712,700
9	Fund sources:			
10	State general fund	\$ 712,700	\$	712,700
11	Performance measures:			
12	Customer satisfaction survey (Scale 1-8)	7.85		7.85
13	In addition to collecting data for the adopted performance measures,			
14	the state board for charter schools shall conduct a survey of parents of			
15	charter school pupils in order to establish parent quality ratings for every			
16	charter school in the state.			
17	Sec. 17. STATE BOARD OF CHIROPRACTIC EXAMINERS			
18		<u>2005-06</u>		<u>2006-07</u>
19	FTE positions	5.0		5.0
20	Lump sum appropriation	\$ 462,600**	\$	462,700
21	Fund sources:			
22	Board of chiropractic examiners			
23	fund	\$ 462,600	\$	462,700
24	Performance measures:			
25	Average calendar days to renew a license	13		13
26	Per cent of complaints resolved within 180			
27	days with no hearing required	95		95
28	Per cent of survey responses which indicate			
29	that staff was knowledgeable and courteous			
30	in public communications	98		98
31	Sec. 18. DEPARTMENT OF COMMERCE			
32		<u>2005-06</u>		
33	FTE positions	62.4		
34	Operating lump sum appropriation	\$ 3,473,600		
35	International trade offices	1,306,400		
36	Economic Development matching funds	104,000		
37	Main street	130,000		
38	REDI matching grants	45,000		
39	Rural economic development	295,400		
40	Advertising and promotion	659,200		
41	Motion picture development	296,500		
42	CEDC commission	249,000		
43	National law center/free trade	200,000		



1	Oil overcharge administration	159,700
2	Minority and women owned business	107,000
3	Small business advocate	104,800
4	Apprenticeship services	<u>158,700</u>
5	Total appropriation - department of	
6	commerce	\$ 7,289,300
7	Fund sources:	
8	State general fund	\$ 3,834,800
9	Bond fund	119,800
10	CEDC fund	2,926,000
11	Oil overcharge fund	159,700
12	State lottery fund	249,000
13	Performance measures:	
14	Number of workers trained	22,000
15	Per cent of job training fund monies	
16	distributed to small businesses	25
17	Customer satisfaction rating for business	
18	development program (percentage rating	
19	services as good or excellent)	88
20	Of the \$2,926,000 appropriated from the CEDC fund, \$250,000 shall be	
21	utilized for implementation of cross-industry business/infrastructure	
22	development projects and related project coordination in support of regional	
23	technology councils and high technology clusters operating in Arizona.	
24	Sec. 19. ARIZONA COMMUNITY COLLEGES	
25		<u>2005-06</u>
26	<u>Equalization aid</u>	
27	Cochise	\$ 3,441,800
28	Graham	10,417,100
29	Navajo	2,735,700
30	Yuma/La Paz	<u>848,800</u>
31	Total - equalization aid	\$ 17,443,400
32	<u>Operating state aid</u>	
33	Cochise	\$ 7,828,500
34	Coconino	3,147,700
35	Gila	274,600
36	Graham	5,370,400
37	Maricopa	54,863,300
38	Mohave	3,710,000
39	Navajo	4,412,300
40	Pima	19,593,500
41	Pinal	5,915,800
42	Yavapai	4,738,700
43	Yuma/La Paz	<u>5,447,800</u>
44	Total - operating state aid	\$115,302,600

1	<u>Capital outlay state aid</u>		
2	Cochise	\$ 965,600	
3	Coconino	383,000	
4	Gila	61,100	
5	Graham	535,700	
6	Maricopa	10,977,900	
7	Mohave	491,000	
8	Navajo	576,900	
9	Pima	3,268,000	
10	Pinal	768,200	
11	Yavapai	686,900	
12	Yuma/La Paz	<u>865,400</u>	
13	Total - capital outlay state aid	\$ 19,579,700	
14	Total appropriation - Arizona community		
15	colleges	\$152,325,700	
16	Fund sources:		
17	State general fund	\$152,325,700	
18	Performance measures:		
19	Per cent of students who transfer to Arizona		
20	public universities without loss of credits	96	
21	Number of applied baccalaureate programs		
22	collaboratively developed with universities	8	
23	Sec. 20. REGISTRAR OF CONTRACTORS		
24		<u>2005-06</u>	<u>2006-07</u>
25	FTE positions	138.8	138.8
26	Operating lump sum appropriation	\$ 8,616,700	\$ 8,617,300
27	Office of administrative hearings		
28	costs	869,500	869,500
29	Incentive pay	<u>113,500</u>	<u>113,500</u>
30	Total appropriation - registrar of		
31	contractors	\$ 9,599,700**	\$ 9,600,300
32	Fund sources:		
33	Registrar of contractors fund	\$ 9,599,700	\$ 9,600,300
34	Performance measures:		
35	Average calendar days from receipt of		
36	complaint to jobsite inspection	14	14
37	Customer satisfaction rating (Scale 1-8)	7.1	7.1
38	Sec. 21. CORPORATION COMMISSION		
39		<u>2005-06</u>	
40	FTE positions	312.8	
41	Operating lump sum appropriation	\$ 23,590,400	
42	Utilities audits, studies,		
43	investigations and hearings	<u>380,000*</u>	
44	Total appropriation - corporation commission	\$ 23,970,400	

1	Fund sources:	
2	State general fund	\$ 4,953,400
3	Arizona arts trust fund	41,900
4	Investment management regulatory	
5	and enforcement fund	793,900
6	Public access fund	3,055,200
7	Securities regulatory and	
8	enforcement fund	3,390,500
9	Utility regulation revolving fund	11,735,500
10	Performance measures:	
11	Average turnaround time in weeks for processing	
12	of regular corporate filings	10.0
13	Average turnaround time in days for processing	
14	of expedited corporate filings	3.0
15	Number of months required to review complaints	
16	received by securities division	1.5
17	Customer satisfaction rating for corporations	
18	program (Scale 1-8)	7.1
19	The corporation commission corporations division shall provide a report	
20	by the end of each calendar quarter during fiscal year 2005-2006 to the joint	
21	legislative budget committee on the total number of filings received by the	
22	corporations division, the total number of filings processed by the	
23	corporations division and the amount of time to process the filings. The	
24	corporation commission corporations division shall include in the first	
25	quarterly report for fiscal year 2005-2006 a plan for resolving the back log	
26	of corporation filings.	
27	Sec. 22. DEPARTMENT OF CORRECTIONS	
28		<u>2005-06</u>
29	FTE positions	9,726.9
30	Personal services	\$336,165,000
31	Employee related expenditures	121,753,700
32	All other operating expenditures	163,701,900
33	Overtime/compensatory time	17,900,000
34	Private prison per diem	<u>74,118,400</u>
35	Total appropriation - department of	
36	corrections	\$713,639,000
37	Fund sources:	
38	State general fund	\$668,846,700
39	Corrections fund	28,674,300
40	Penitentiary land fund	869,200
41	State charitable, penal and	
42	reformatory institutions	
43	land fund	2,070,000

1	State education fund for	
2	correctional education	1,478,100
3	Alcohol abuse treatment fund	599,300
4	Prison construction and	
5	operations fund	10,250,000
6	Transition office fund	351,400
7	Transition program drug	
8	treatment fund	500,000
9	Performance measures:	
10	Escapes from secure facilities	0
11	Number of inmates receiving GED	1,512
12	Number of inmate random positive	
13	urinalysis results	1,000

14 Twenty-five per cent of land earnings and interest from the state  
 15 charitable, penal and reformatory institutions land fund shall be distributed  
 16 to the state department of corrections in compliance with section 25 of the  
 17 enabling act and the constitution to be used for the support of state penal  
 18 institutions.

19 One hundred per cent of land earnings and interest from the  
 20 penitentiary land fund shall be distributed to the department of corrections  
 21 in compliance with section 25 of the enabling act and the constitution to be  
 22 used for the support of state penal institutions.

23 Before the expenditure of any state education fund for correctional  
 24 education receipts in excess of \$1,478,100, the department of corrections  
 25 shall report the intended use of the monies to the director of the joint  
 26 legislative budget committee.

27 Before altering its bed capacity by closing state-operated prison beds,  
 28 canceling or not renewing contracts for privately-operated prison beds, the  
 29 department of corrections shall submit a bed plan detailing the proposed bed  
 30 closures for approval by the joint legislative budget committee.

31 The Arizona department of corrections shall continue to proceed with  
 32 privatization of a prison for the female inmate population. The female  
 33 inmates would be relocated to a privately-operated facility during fiscal  
 34 year 2005-2006.

35 The overtime/compensatory time line item includes monies for personal  
 36 services and employee related expenditure costs from overtime and  
 37 compensatory time payouts accrued by department employees in fiscal year  
 38 2005-2006.

39 The private prison per diem line item includes \$840,000 from the  
 40 general fund for a three per cent inflationary adjustment for private prison  
 41 contracts for facilities located within Arizona that housed Arizona inmates  
 42 before July 2004. The department shall provide this three per cent cost  
 43 adjustment, appropriated pursuant to section 41-1609.01, subsection E,  
 44 Arizona Revised Statutes, to all applicable contractors by August 1, 2005.

45 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
 46 any transfer to or from the amounts appropriated for overtime/compensatory

time or private prison per diem line items shall require review by the joint legislative budget committee.

In addition to any other salary adjustments made pursuant to this act, the department of corrections shall use \$350,000 of monies appropriated in this section to provide salary increases to parole officers.

Sec. 23. COSMETOLOGY BOARD

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	24.5	24.5
Lump sum appropriation	\$ 1,565,800**	\$ 1,510,000
Fund sources:		
Board of cosmetology fund	\$ 1,565,800	\$ 1,510,000
Performance measures:		
Average calendar days to resolve a complaint	120	120
Average calendar days to renew a license	10	10
Customer satisfaction rating (Scale 1-8)	7.2	7.2

Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	7.0	7.0
Operating lump sum appropriation	\$ 1,570,600	\$ 1,546,400
Rural state aid to county attorneys	157,700	157,700
Rural state aid to indigent defense	150,100	150,100
State aid to county attorneys	847,800	877,500
State aid to indigent defense	805,000	833,200
Victim compensation and assistance	<u>3,900,000</u>	<u>3,400,000</u>
Total appropriation - Arizona criminal justice commission	\$ 7,431,200	\$ 6,964,900
Fund sources:		
State general fund	\$ 1,302,000	\$ 1,302,000
Criminal justice enhancement fund	576,400	552,200
Victim compensation and assistance fund	3,900,000	3,400,000
State aid to county attorneys fund	847,800	877,500
State aid to indigent defense fund	805,000	833,200
Performance measures:		
Number of grants awarded in a timely manner to victim services providers	47	47
Customer satisfaction rating (Scale 1-10)	9.2	9.2

All victim compensation and victim assistance receipts received by the Arizona criminal justice commission in excess of \$3,900,000 in fiscal year 2005-2006 and \$3,400,000 in fiscal year 2006-2007 are appropriated to the crime victims program. Before the expenditure of any victim compensation and victim assistance receipts in excess of \$3,900,000 in fiscal year 2005-2006 and \$3,400,000 in fiscal year 2006-2007, the Arizona criminal justice commission shall submit the intended use of the monies for review by the joint legislative budget committee.

Notwithstanding any other law, the amount appropriated for rural state aid to county attorneys and rural state aid to indigent defense shall be allocated to counties with populations of less than five hundred thousand persons.

The Arizona criminal justice commission shall request funding from the office of homeland security for its criminal records integration project. If the office rejects this request, the office of homeland security shall provide the joint legislative budget committee with an explanation of its reason for rejecting the request.

Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND  
2005-06

Phoenix day school for the deaf

FTE positions	163.3
Lump sum appropriation	\$ 7,325,000
Fund sources:	
State general fund	\$ 2,068,500
Schools for the deaf and the blind fund	5,132,300
Telecommunications excise tax fund	124,200

Tucson campus

FTE positions	296.9
Lump sum appropriation	\$ 14,823,500
Fund sources:	
State general fund	\$ 8,365,200
Schools for the deaf and the blind fund	5,965,000
Telecommunications excise tax fund	493,300

Administration/statewide programs

FTE positions	127.0
Lump sum appropriation	\$ 7,767,000
Fund sources:	
State general fund	\$ 5,293,100
Schools for the deaf and the blind fund	2,154,900
Telecommunications excise tax fund	<u>319,000</u>

Total appropriation - Arizona state schools for the deaf and the blind	\$ 29,915,500
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1	Fund sources:		
2	State general fund	\$ 15,726,800	
3	Schools for the deaf and the		
4	blind fund	13,252,200	
5	Telecommunications excise tax fund	936,500	
6	Performance measures:		
7	Per cent of parents rating overall quality of		
8	services as "good" or "excellent" based		
9	on annual survey	95	
10	Per cent of students demonstrating gains		
11	on the AIMS test	80	
12	Per cent of students demonstrating gains		
13	on the norm-referenced test (grades 2 and 9)	80	
14	Before the expenditure of any schools for the deaf and the blind fund		
15	monies in excess of \$13,252,200 in fiscal year 2005-2006, the joint		
16	legislative budget committee shall review the intended use of the funds.		
17	All endowment earnings above \$200,000 in fiscal year 2005-2006 that are		
18	received by the Arizona state schools for the deaf and the blind and		
19	deposited into the schools for the deaf and the blind fund are appropriated		
20	for operating expenditures.		
21	Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING		
22		<u>2005-06</u>	<u>2006-07</u>
23	FTE positions	15.0	15.0
24	Lump sum appropriation	\$ 5,283,800	\$ 5,279,700
25	Fund sources:		
26	Telecommunication fund for		
27	the deaf	\$ 5,283,800	\$ 5,279,700
28	Performance measures:		
29	Average number of days to issue a voucher	15	15
30	Customer satisfaction rating with the		
31	voucher program (Scale 1-8)	7.8	7.8
32	Before the execution of any contract for telecommunication relay		
33	services, the commission for the deaf and the hard of hearing shall present		
34	the proposed contract to the joint legislative budget committee for review.		
35	The commission for the deaf and the hard of hearing, with the		
36	assistance of the department of revenue, shall report to the joint		
37	legislative budget committee by November 30, 2005 on the anticipated level of		
38	telecommunications services excise tax collections in fiscal year 2005-2006		
39	and fiscal year 2006-2007.		
40	Sec. 27. DENTAL EXAMINERS BOARD		
41		<u>2005-06</u>	<u>2006-07</u>
42	FTE positions	10.0	10.0
43	Lump sum appropriation	\$ 1,017,200**	\$ 947,200
44	Fund sources:		
45	Dental board fund	\$ 1,017,200	\$ 947,200

1	Performance measures:		
2	Average calendar days to resolve a complaint	100	100
3	Average calendar days to renew a license	10	10
4	Customer satisfaction rating (Scale 1-5)	4.1	4.1
5	Sec. 28. DRUG AND GANG PREVENTION RESOURCE CENTER		
6		<u>2005-06</u>	<u>2006-07</u>
7	FTE positions	6.3	6.3
8	Lump sum appropriation	\$ 546,600	\$ 546,600
9	Fund sources:		
10	Drug and gang prevention		
11	resource center fund	\$ 266,600	\$ 266,600
12	Intergovernmental agreements		
13	and grants	280,000	280,000
14	Performance measures:		
15	Customer satisfaction rating of agencies		
16	served by the center (Scale 1-8)	7.5	7.5
17	Intergovernmental agreements and grants revenues in excess of \$280,000		
18	in fiscal year 2005-2006 and \$280,000 in fiscal year 2006-2007 are		
19	appropriated for expenditure. Before the expenditure of these monies, the		
20	center shall provide an expenditure plan to the joint legislative budget		
21	committee for review.		
22	Sec. 29. DEPARTMENT OF ECONOMIC SECURITY		
23		<u>2005-06</u>	
24	<u>Administration</u>		
25	FTE positions	299.2	
26	Operating lump sum appropriation	\$ 34,931,500	
27	Finger imaging	722,700	
28	Lease purchase equipment	1,799,000	
29	Public assistance collections	473,500	
30	Attorney general legal services	564,900	
31	Triagency disaster recovery	<u>271,500</u>	
32	Total - administration	\$ 38,763,100	
33	Fund sources:		
34	State general fund	\$ 29,415,200	
35	Risk management fund	271,500	
36	Federal child care and development		
37	fund block grant	1,097,300	
38	Federal temporary assistance for		
39	needy families block grant	5,868,600	
40	Public assistance collections fund	462,700	
41	Special administration fund	560,900	
42	Spinal and head injuries trust fund	86,900	
43	Statewide cost allocation plan fund	1,000,000	



1 In accordance with section 35-142.01, Arizona Revised Statutes, the  
 2 department of economic security shall remit to the department of  
 3 administration any monies received as reimbursement from the federal  
 4 government or any other source for the operation of the department of  
 5 economic security west building and any other building lease-purchased by the  
 6 State of Arizona in which the department of economic security occupies space.  
 7 The department of administration shall deposit these monies in the state  
 8 general fund.

9 In accordance with section 38-654, Arizona Revised Statutes, the  
 10 department of economic security shall transfer to the department of  
 11 administration for deposit in the special employee health insurance trust  
 12 fund any unexpended state general fund monies at the end of each fiscal year  
 13 appropriated for employer health insurance contributions.

14 Developmental disabilities

15	FTE positions	311.5
16	Operating lump sum appropriation	\$ 3,401,800
17	Case management	3,920,200
18	Home and community based services	33,952,300
19	Institutional services	294,900
20	Arizona training program at Coolidge	5,488,500
21	State-funded long-term care services	<u>21,798,700</u>

22	Total - developmental disabilities	\$ 68,856,400
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23 Fund sources:

24	State general fund	\$ 44,518,400
25	Long-term care system fund	24,338,000

26 Performance measures:

27	Per cent of consumer satisfaction with	
28	case management services	95
29	Per cent of consumers living at home who	
30	are satisfied with services and supports	75
31	Per cent of families of children under 18	
32	who are satisfied with services and supports	65
33	Per cent of families or individuals 18 years	
34	or older, who do not live at home with	
35	family, who are satisfied with services	
36	and supports	85

37 It is the intent of the legislature that any available surplus monies  
 38 for developmental disability programs be applied toward the waiting list,  
 39 unless there are insufficient monies to annualize these costs in the  
 40 subsequent year. The children's waiting list shall receive first priority.  
 41 The amount appropriated for developmental disabilities shall be used to  
 42 provide for services for non-title XIX eligible clients. The amount shall  
 43 not be used for other purposes, unless a transfer of monies is reviewed by  
 44 the joint legislative budget committee.

45 The department of economic security shall report all new placements  
 46 into a state-owned ICF-MR or the Arizona training program at Coolidge campus

in fiscal year 2005-2006 to the president of the senate, the speaker of the house of representatives, the chairmen of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee and the reason why this placement, rather than a placement into a privately run facility for the developmentally disabled, was deemed as the most appropriate placement. The department should also report if no new placements were made. This report shall be made available by July 15, 2006.

Long-term care system fund

FTE positions	1,453.4
Operating lump sum appropriation	\$ 27,490,800
Case management	30,511,800
Home and community based services	460,935,100
Institutional services	16,409,000
Medical services	87,686,900
Arizona training program at Coolidge	<u>11,708,600</u>

Total appropriation and expenditure

authority - long-term care

system fund

\$ 634,742,200

Fund sources:

State general fund \$ 208,871,900

Expenditure authority 425,870,300

All monies in the long-term care system fund unexpended and unencumbered at the end of fiscal year 2005-2006 revert to the state general fund, subject to approval by the Arizona health care cost containment system.

The department shall report to the joint legislative budget committee by March 31 of each year on preliminary actuarial estimates of the capitation rate increases for the following fiscal year. Before implementation of any changes in capitation rates for the long term care program, the department of economic security shall report its expenditure plan to the joint legislative budget committee for its review. Unless required for compliance with federal law, before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of \$500,000 or greater for a given fiscal year, the department shall submit the policy changes to the joint legislative budget committee for review. The department shall also report quarterly to the joint legislative budget committee itemizing all policy changes with fiscal impacts of less than \$500,000 in state costs.

1       Benefits and medical eligibility

2	FTE positions	569.9
3	Operating lump sum appropriation	\$ 31,228,600
4	Temporary assistance for needy	
5	families cash benefits	156,223,800
6	FLSA supplement	508,900
7	Tribal pass-through funding	4,288,700
8	Tuberculosis control payments	<u>32,200</u>

9       Total - benefits and medical  
10       eligibility                               \$192,282,200

11       Fund sources:

12	State general fund	\$ 86,415,800
13	Federal temporary assistance for	
14	needy families block grant	105,866,400

15       Performance measures:

16	Per cent of cash benefits issued timely	98.6
17	Per cent of total cash benefits payments	
18	issued accurately	95.0
19	Per cent of total food stamps payments	
20	issued accurately	95.0
21	Per cent of clients satisfied with family	
22	assistance administration	93.0

23       The operating lump sum appropriation may be expended on Arizona health  
24       care cost containment system eligibility determinations based on the results  
25       of the Arizona random moment sampling survey.

26       Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
27       any transfer to or from the \$156,223,800 appropriated for temporary  
28       assistance for needy families cash benefits requires review by the joint  
29       legislative budget committee.

30       Of the amount appropriated for temporary assistance for needy families  
31       cash benefits, \$500,000 reflects appropriation authority only to ensure  
32       sufficient cashflow to administer cash benefits for tribes operating their  
33       own welfare programs. The department shall notify the joint legislative  
34       budget committee and the governor's office of strategic planning and  
35       budgeting staff before the use of any of the \$500,000 appropriation  
36       authority.

37       Child support enforcement

38	FTE positions	863.8
39	Operating lump sum appropriation	\$ 35,604,800
40	Genetic testing	723,600
41	Central payment processing	3,275,700

1	County participation	6,845,200
2	Attorney general legal services	<u>7,734,200</u>
3	Total appropriation and expenditure	
4	authority - child support	
5	enforcement	\$ 54,183,500
6	Fund sources:	
7	State general fund	\$ 5,194,500
8	Child support enforcement	
9	administration fund	12,778,300
10	Expenditure authority	36,210,700
11	Performance measures:	
12	Total IV-D collections	\$275,000,000
13	Ratio of current IV-D support collected	
14	and distributed to current IV-D support	
15	due	42.0
16	All state share of retained earnings, fees and federal incentives above	
17	\$12,778,300 received by the division of child support enforcement are	
18	appropriated for operating expenditures. New full-time equivalent positions	
19	may be authorized with the increased funding. The division of child support	
20	enforcement shall report the intended use of the monies to the speaker of the	
21	house of representatives, the president of the senate, the chairmen of the	
22	senate and house appropriations committees and the directors of the joint	
23	legislative budget committee and the governor's office of strategic planning	
24	and budgeting.	
25	<u>Aging and community services</u>	
26	FTE positions	80.6
27	Operating lump sum appropriation	\$ 5,138,600
28	Adult services	11,599,300
29	Community and emergency services	5,924,900
30	Coordinated hunger	1,786,600
31	Coordinated homeless	2,804,900
32	Domestic violence prevention	9,328,600
33	Community-based marriage and	
34	communication skills program	
35	fund deposit	<u>1,200,000</u>
36	Total - aging and community services	\$ 37,782,900
37	Fund sources:	
38	State general fund	\$ 22,672,400
39	Domestic violence shelter fund	1,700,000
40	Federal temporary assistance for	
41	needy families block grant	12,910,500
42	Utility assistance fund	500,000
43	Performance measures:	
44	Adult protective services investigation	
45	per cent rate	80

1 All domestic violence shelter fund monies above \$1,700,000 received by  
 2 the department of economic security are appropriated for the domestic  
 3 violence prevention special line item. The department of economic security  
 4 shall report the intended use of the monies above \$1,700,000 to the joint  
 5 legislative budget committee.

6 It is the intent of the legislature that the department use at least  
 7 \$1,038,900 of federal temporary assistance for needy families block grant  
 8 monies in the appropriation for community and emergency services to ensure  
 9 that councils of governments and tribal governments receive at least the same  
 10 amount of federal social services block grant monies that those entities  
 11 received in fiscal year 2000-2001.

12 In addition to the amounts above, if the federal government establishes  
 13 a matching grant program for state marriage skills programs within the  
 14 temporary assistance for needy families program, the sum of \$1,200,000 is  
 15 appropriated from the federal temporary assistance for needy families block  
 16 grant in fiscal year 2005-2006 to the department of economic security for  
 17 deposit in the community-based marriage and communication skills program fund  
 18 established by section 41-2032, Arizona Revised Statutes, for the following  
 19 purposes:

- 20 1. \$600,000 for marketing and advertising of marriage skills classes.
- 21 2. \$600,000 for the community-based relationship skills high school  
 22 pilot program.

23 Children, youth and families

24 FTE positions	1,361.6
25 Operating lump sum appropriation	\$ 63,621,600
26 Adoption services	25,946,800
27 Adoption services - family	
28 preservation projects	5,500,000
29 Attorney general legal services	8,395,200
30 Child abuse prevention	817,700
31 Children services	48,456,900
32 Children services/temporary	
33 assistance for needy families	
34 deposit to social services	
35 block grant	22,613,100
36 Comprehensive medical and dental	
37 program	2,057,000
38 Child protective services appeals	639,200
39 Child protective services	
40 expedited substance abuse	
41 treatment fund deposit	224,500
42 Family builders program	5,200,000
43 Healthy families	13,750,000

1	Homeless youth intervention	400,000
2	Intensive family services	1,985,600
3	Joint substance abuse treatment	
4	fund - state general fund	3,000,000
5	Permanent guardianship subsidy	3,003,800
6	Temporary assistance for needy	
7	families deposit to the joint	
8	substance abuse treatment fund	<u>2,000,000</u>
9	Total - children, youth and families	\$207,611,400
10	Fund sources:	
11	State general fund	\$129,020,400
12	Child abuse prevention fund	1,567,700
13	Children and family services	
14	training program fund	209,600
15	Federal temporary assistance for	
16	needy families block grant	76,813,700
17	Performance measures:	
18	Per cent of newly hired CPS specialists	
19	completing training within 7 months	
20	of hire	100
21	Per cent of children in out-of-home care	
22	who have not returned to their families	
23	or been permanently placed elsewhere	
24	for more than 24 consecutive months	21
25	Per cent of CPS reports responded to by CPS	
26	staff	100
27	Per cent of CPS original dependencies	
28	cases where court denied or dismissed	<1
29	Per cent of office of administrative hearings	
30	where CPS case findings are affirmed	85
31	Per cent of CPS complaints reviewed by	
32	the office of the ombudsman-citizens	
33	aide where allegations are reported	
34	as valid by the ombudsman	17

35 It is the intent of the legislature that the \$22,613,100 appropriated  
36 from the federal temporary assistance for needy families block grant to the  
37 social services block grant for deposit in the children services/temporary  
38 assistance for needy families deposit to social services block grant special  
39 line item be allocated to the children services program.

40 The department of economic security shall provide training to any new  
41 child protective services full-time equivalent positions before assigning to  
42 any of these employees any client caseload duties.

43 It is the intent of the legislature that the department of economic  
44 security shall use the funding in the division of children, youth and  
45 families to achieve a one hundred per cent investigation rate.

1 It is the intent of the legislature that the \$5,500,000 appropriated to  
 2 the adoption services - family preservation projects special line item be  
 3 used to promote adoption as an option for children, including but not limited  
 4 to promoting the agency's adoption program and temporary adoption subsidy  
 5 payment increases to current adoption subsidy clients. The monies  
 6 appropriated in fiscal year 2005-2006 are exempt from the provisions of  
 7 section 35-190, Arizona Revised Statutes, relating to lapsing of  
 8 appropriations. The department shall report the intended use of these monies  
 9 to the joint legislative budget committee by August 1 of each year for the  
 10 committee's review. The report shall include an evaluation of the most  
 11 effective means of expending these funds and performance measures to gauge  
 12 the program's success. The report shall reflect the recommendations of any  
 13 statutory committee established to provide recommendations on this  
 14 appropriation.

15 The sum of \$5,500,000 is appropriated from the federal temporary  
 16 assistance for needy families block grant to the division of children, youth  
 17 and families in fiscal year 2006-2007, fiscal year 2007-2008 and fiscal year  
 18 2008-2009 for adoption and family preservation projects. The monies  
 19 appropriated in each fiscal year are exempt from the provisions of section  
 20 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

21 Employment and rehabilitation services

22	FTE positions	474.0
23	Operating lump sum appropriation	\$ 24,235,500
24	JOBS	22,942,300
25	Day care subsidy	137,520,100
26	Transitional child care	32,911,900
27	Vocational rehabilitation services	3,489,800
28	Independent living rehabilitation	
29	services	2,491,900
30	Workforce investment act - local	
31	governments	48,040,600
32	Workforce investment act -	
33	discretionary	<u>3,614,000</u>
34	Total - employment and rehabilitation	
35	services	\$275,246,100
36	Fund sources:	
37	State general fund	\$ 81,431,600
38	Federal child care and development	
39	fund block grant	103,536,500
40	Federal temporary assistance for	
41	needy families block grant	30,645,400
42	Special administration fund	1,585,000
43	Spinal and head injuries trust fund	2,404,400
44	Workforce investment act grant	55,643,200

1 Performance measures:

2 Number of TANF recipients who obtained	
3 employment	26,280
4 Per cent of customer satisfaction with	
5 child care	95.6
6 Vocational rehabilitation individuals	
7 successfully rehabilitated	1,800

8 It is the intent of the legislature that the \$22,942,300 appropriated  
 9 for JOBS may be used to support nonpermanent and seasonal positions to  
 10 fulfill federal program requirements when contracts for services cannot be  
 11 established with outside parties. The use of such positions shall be  
 12 reviewed by the joint legislative budget committee.

13 It is the intent of the legislature that the department shall use  
 14 \$4,500,000 of the monies appropriated for the JOBS special line item for  
 15 contracts with education and training entities. These contracts shall focus  
 16 on assisting JOBS clients in obtaining jobs paying, on average, ten dollars  
 17 per hour or more. The department shall report to the joint legislative  
 18 budget committee by October 15, 2006 on these efforts. The report shall  
 19 include expenditure details and placement data.

20 Of the \$137,520,100 appropriated for day care subsidy, \$104,022,200 is  
 21 for a program in which the upper income limit is no more than one hundred  
 22 sixty-five per cent of the federal poverty level. This provision shall not  
 23 be construed to impose a duty on an officer, agent or employee of the state  
 24 to discharge a responsibility or to create any right in a person or group if  
 25 the discharge or right would require an expenditure of state monies in excess  
 26 of the \$104,022,200 appropriation.

27 The amounts appropriated for day care subsidy and transitional child  
 28 care shall be used exclusively for child care costs unless a transfer of  
 29 monies is reviewed by the joint legislative budget committee. Monies shall  
 30 not be used from these appropriated amounts for any other expenses of the  
 31 department of economic security unless a transfer of monies is reviewed by  
 32 the joint legislative budget committee.

33 All spinal and head injuries trust fund receipts received by the  
 34 department of economic security in excess of \$2,404,400 are appropriated to  
 35 the independent living rehabilitation services special line item. Before the  
 36 expenditure of any spinal and head injuries trust fund receipts in excess of  
 37 \$2,404,400, the department of economic security shall submit the intended use  
 38 of the monies for review by the joint legislative budget committee.

39 Monies appropriated to the workforce investment act - discretionary  
 40 special line item may not be expended until a proposed expenditure plan has  
 41 been reviewed by the joint legislative budget committee.



1 All federal workforce investment act discretionary funds that are  
 2 received by the state in excess of \$3,614,000 are appropriated to the  
 3 workforce investment act - discretionary special line item. Excess monies  
 4 may not be spent until a proposed expenditure plan for the excess monies has  
 5 been reviewed by the joint legislative budget committee.

6 All federal workforce investment act funds for local governments that  
 7 are received by the state in excess of \$48,040,600 are appropriated to the  
 8 workforce investment act - local governments special line item. Excess  
 9 monies may not be spent until a proposed expenditure plan for the excess  
 10 monies has been reviewed by the joint legislative budget committee.

11 Total appropriation and expenditure

12 authority - department of  
 13 economic security \$1,509,467,800

14 Fund sources:

15 State general fund	\$ 607,540,200
16 Child abuse prevention fund	1,567,700
17 Child support enforcement	
18 administration fund	12,778,300
19 Children and family services	
20 training program fund	209,600
21 Domestic violence shelter fund	1,700,000
22 Federal child care and development	
23 fund block grant	104,633,800
24 Federal temporary assistance for	
25 needy families block grant	232,104,600
26 Long-term care system fund	24,338,000
27 Public assistance collections fund	462,700
28 Risk management fund	271,500
29 Special administration fund	2,145,900
30 Spinal and head injuries trust fund	2,491,300
31 Statewide cost allocation plan fund	1,000,000
32 Utility assistance fund	500,000
33 Workforce investment act grant	55,643,200

34 Expenditure authority 462,081,000

35 Performance measures:

36 Agencywide customer satisfaction rating

37 (Scale 1-5) 4.2

38 The above appropriation is in addition to funds granted to the state by  
 39 the federal government for the same purposes but shall be deemed to include  
 40 the sums deposited in the state treasury to the credit of the department of  
 41 economic security pursuant to section 42-5029, Arizona Revised Statutes.

1 A monthly report comparing total expenditures for the month and  
 2 year-to-date as compared to prior year totals shall be forwarded to the  
 3 president of the senate, the speaker of the house of representatives, the  
 4 chairmen of the senate and house appropriations committees and the director  
 5 of the joint legislative budget committee by the thirtieth of the following  
 6 month. The report shall include an estimate of (1) potential shortfalls in  
 7 entitlement programs, (2) potential federal and other funds, such as the  
 8 statewide assessment for indirect costs, and any projected surplus in state  
 9 supported programs that may be available to offset these shortfalls and a  
 10 plan, if necessary, for eliminating any shortfall without a supplemental  
 11 appropriation, (3) shortfalls resulting from new leases or renegotiations of  
 12 current leases and associated costs, and (4) total expenditure authority of  
 13 the child support enforcement program for the month and year-to-date as  
 14 compared to prior year totals.

15 The department of economic security shall report the receipt and  
 16 intended use of all current and prior year reversions from nonappropriated  
 17 sources to the joint legislative budget committee.

18 The amounts above include \$6,000,000 from the state general fund and  
 19 \$7,556,800 from matching federal expenditure authority to raise rates of  
 20 community service providers and independent service agreement providers  
 21 contracting with the division of developmental disabilities to 97.44 per cent  
 22 of market rates for all services on the published rate schedule with the  
 23 exception of employment support services whose rates would be raised to one  
 24 hundred per cent of market rates.

25 Sec. 30. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

26 2005-06

27 State board of education

28 FTE positions 7.0

29 Lump sum appropriation \$ 610,100

30 Fund sources:

31 State general fund \$ 270,800

32 Teacher certification fund 339,300

33 Performance measures:

34 Per cent of parents who rate "A+" the public

35 school that their oldest school-age child

36 attends 19.5

37 The appropriated amount includes \$100,000 for administering a survey to  
 38 a random sample of parents of children in public schools statewide. The  
 39 survey shall consist of the following question: "Students are given the  
 40 grades A+, A, B, C, D and Fail to denote the quality of their work. Using  
 41 the same A+, A, B, C, D and Fail scale, what grade would you give the school  
 42 that your oldest child attends?"

The state board of education program may establish its own strategic plan separate from that of the department of education and based on its own separate mission, goals and performance measures.

General services administration

FTE positions	126.2
Operating lump sum appropriation	\$ 6,554,400
Achievement testing	7,165,100

Before making any changes to the achievement testing program that will increase program costs, the state board of education shall report the estimated fiscal impact of those changes to the joint legislative budget committee.

Arizona teacher evaluation	200,700
English learner monitoring	322,400
Special education audit	294,000
Teacher certification	<u>1,397,100</u>

Monies collected by the department of education for teacher certification fees, as authorized by section 15-531, paragraphs 1 and 2, Arizona Revised Statutes, shall be deposited in a teacher certification fund for use in funding costs of the teacher certification program.

Total - general services administration	\$ 15,933,700
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Fund sources:

State general fund	\$ 11,995,600
Teacher certification fund	1,597,800
Proposition 301 fund	2,340,300

Performance measures:

Maximum number of days to process complete certification applications	15
Per cent of customers satisfied with certification services	89

Assistance to schools

FTE positions	67.7
Basic state aid entitlement	\$2,776,978,200

Fund sources:

State general fund	\$2,733,755,200
Permanent state school fund	43,223,000

The above appropriation provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated \$43,223,000 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2005-2006.

1       Receipts derived from the permanent state school fund and any other  
 2 nonstate general fund revenue source that is dedicated to fund basic state  
 3 aid will be expended, whenever possible, before expenditure of state general  
 4 fund monies.

5       Except as required by section 37-521, Arizona Revised Statutes, all  
 6 monies received during the fiscal year from national forests, interest  
 7 collected on deferred payments on the purchase of state lands, the income  
 8 from the investment of permanent funds as prescribed by the enabling act and  
 9 the constitution and all monies received by the superintendent of public  
 10 instruction from whatever source, except monies received pursuant to sections  
 11 15-237 and 15-531, Arizona Revised Statutes, when paid into the state  
 12 treasury are appropriated for apportionment to the various counties in  
 13 accordance with law. An expenditure shall not be made except as specifically  
 14 authorized above.

15	Additional state aid to schools	\$296,213,200
16	Assistance to school districts for	
17	children of state employees	99,500
18	Certificates of educational	
19	convenience	269,900
20	Special education fund	33,128,600
21	Adult education assistance	4,443,800

22       The appropriated amount is for classes in adult basic education,  
 23 general education development and citizenship on a statewide basis.

24       It is the intent of the legislature that no more than ten per cent of  
 25 the appropriation for adult education assistance be used by the department of  
 26 education for operating the division of adult education. It is also the  
 27 intent of the legislature that the greatest possible proportion of monies  
 28 appropriated for adult education programs be devoted to instructional, rather  
 29 than administrative, aspects of the programs.

30       The department shall give persons under twenty-one years of age  
 31 priority in gaining access to services pertaining to general education  
 32 development testing.

33	AIMS intervention; dropout prevention	550,000
34	Chemical abuse	800,500
35	English learner grants	15,310,000
36	Extended school year	500,000
37	Family literacy	1,003,400
38	Full-day kindergarten	21,000,000
39	Gifted support	1,304,200
40	Optional performance incentive	
41	programs	120,000
42	Parental choice for reading	
43	success	1,000,000

1	Residential placement	10,000
2	School accountability	4,698,100
3	School report cards	443,300
4	School safety program	6,704,900
5	Small pass-through programs	581,600
6	The appropriated amount includes \$50,000 for the academic contest fund,	
7	\$82,400 for academic decathlon, \$50,000 for Arizona geographic alliance,	
8	\$40,000 for the Arizona humanities council, \$25,200 for Arizona principal's	
9	academy, \$234,000 for Arizona school service through education technology,	
10	\$50,000 for project citizen and \$50,000 for the economic academic council.	
11	State block grant for early childhood	
12	education	19,415,200
13	State block grant for vocational	
14	education	11,199,100
15	The appropriated amount is for block grants to charter schools and	
16	school districts that have vocational education programs. It is the intent	
17	of the legislature that monies appropriated in the general appropriation act	
18	for the state block grant for vocational education be used to promote	
19	improved student achievement by providing vocational education programs with	
20	flexible supplemental funding that is linked both to numbers of students in	
21	such programs and to numbers of program completers who enter jobs in fields	
22	directly related to the vocational education program that they completed. It	
23	is the intent of the legislature that the amount of the state block grant for	
24	vocational education funding that is used for state level administration of	
25	the program be limited to no more than the amount used for such costs during	
26	the prior fiscal year plus the applicable amount of any pay raise that may be	
27	provided for state employees through legislative appropriation.	
28	Vocational education extended	
29	year	<u>600,000</u>
30	Total - assistance to schools	\$3,196,373,500
31	Fund sources:	
32	State general fund	\$3,148,490,800
33	Proposition 301 fund	4,659,700
34	Permanent state school fund	43,223,000
35	Performance measures:	
36	Per cent of students tested who perform	
37	at or above the national norm on the	
38	norm-referenced test (grade 2)	
39	-- reading	48
40	-- math	55

1	Per cent of students tested who perform	
2	at or above the national norm on the	
3	norm-referenced test (grade 9)	
4	-- reading	37
5	-- math	59
6	Per cent of schools with at least 75% of	
7	students meeting or exceeding standards in:	
8	-- reading	27
9	-- writing	37
10	-- math	20
11	Per cent of Arizona high school students	
12	who enter 9 <sup>th</sup> grade and graduate within	
13	4 years	75
14	Per cent of students in grade 3 meeting	
15	or exceeding state academic standards in:	
16	-- reading	80
17	-- writing	82
18	-- math	70
19	Per cent of students in grade 5 meeting	
20	or exceeding state academic standards in:	
21	-- reading	66
22	-- writing	68
23	-- math	60
24	Per cent of students in grade 8 meeting	
25	or exceeding state academic standards in:	
26	-- reading	62
27	-- writing	66
28	-- math	36
29	Per cent of students in grade 12 meeting	
30	or exceeding state academic standards in:	
31	-- reading	90
32	-- writing	90
33	-- math	90
34	Per cent of students tested:	
35	-- norm-referenced test (grades 2 and 9)	96
36	-- AIMS	97
37	Per cent of Arizona schools receiving an	
38	underperforming label	<u>5</u>
39	Total appropriation - state board of	
40	education and superintendent	
41	of public instruction	\$3,212,917,300

1 Fund sources:

2 State general fund	\$3,160,757,200
3 Proposition 301 fund	7,000,000
4 Permanent state school fund	43,223,000
5 Teacher certification fund	1,937,100

6 The department shall provide an updated report on its budget status  
 7 every two months for the first half of each fiscal year and every month  
 8 thereafter to the president of the senate, the speaker of the house of  
 9 representatives, the chairmen of the senate and house appropriations  
 10 committees and the director of the joint legislative budget committee. Each  
 11 report shall include, at a minimum, the department's current funding surplus  
 12 or shortfall projections for basic state aid and other major formula-based  
 13 programs and shall be due thirty days after the end of the applicable  
 14 reporting period.

15 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
 16 any transfer to or from the amount appropriated for basic state aid  
 17 entitlement, additional state aid to schools, certificates of educational  
 18 convenience or the special education fund line items shall require review by  
 19 the joint legislative budget committee.

20 For fiscal year 2005-2006, in addition to computing average daily  
 21 membership counts for the first one hundred days of the 2005-2006 school year  
 22 pursuant to section 15-901, subsection A, paragraph 2, Arizona Revised  
 23 Statutes, the department shall compute average daily membership counts for  
 24 the first one hundred forty days of the 2005-2006 school year. By February  
 25 1, 2007, the department shall provide a report to the director of the joint  
 26 legislative budget committee that compares the average daily membership count  
 27 of each school district and charter school in the state through the first one  
 28 hundred and first one hundred forty days of the 2005-2006 school year. The  
 29 one hundred forty day average daily membership counts computed pursuant to  
 30 this requirement shall not be used for basic state aid formula funding  
 31 purposes.

32 Within fifteen days of each apportionment of state aid that occurs  
 33 pursuant to section 15-973, subsection B, Arizona Revised Statutes, the  
 34 department shall provide the joint legislative budget committee staff and the  
 35 office of strategic planning and budgeting with an electronic spreadsheet or  
 36 database copy of data included in the apor55-1 report for that apportionment  
 37 for each school district and charter school.

38 By the last day of each calendar quarter, the department of education  
 39 and the government information technology agency shall jointly report to the  
 40 joint legislative budget committee regarding the progress of the independent  
 41 steering committee on information technology and data collection in  
 42 education.

## 1 Sec. 31. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

2 2005-063 Administration

4 FTE positions 13.9

5 Lump sum appropriation \$ 1,823,600

## 6 Fund sources:

7 State general fund \$ 1,823,600

8 Emergency management

9 FTE positions 11

10 Operating lump sum appropriation \$ 952,000

11 Civil air patrol 54,200

12 Total - emergency management \$ 1,006,200

## 13 Fund sources:

14 State general fund \$ 873,500

15 Emergency response fund 132,700

16 Military affairs

17 FTE positions 66.2

18 Operating lump sum appropriation \$ 4,882,600

19 Guardsmen tuition reimbursement 1,446,000

20 Total - military affairs \$ 6,328,600

## 21 Fund sources:

22 State general fund \$ 6,328,600

23 The department of emergency and military affairs appropriation includes  
 24 \$2,051,100 in fiscal year 2005-2006 for project challenge. These monies  
 25 shall only be used to fund operating expenditures for project challenge.

26 Total appropriation - department of

27 emergency and military affairs \$ 9,158,400

## 28 Fund sources:

29 State general fund \$ 9,025,700

30 Emergency response fund 132,700

## 31 Performance measures:

32 Per cent of project challenge graduates

33 either employed or in school 95

34 Customer satisfaction rating for communities

35 served during disasters (Scale 1-8) 6.0

36 The department of emergency and military affairs appropriation includes  
 37 \$852,300 for service contracts. This amount is exempt from section 35-190,  
 38 Arizona Revised Statutes, relating to lapsing of appropriations, except that  
 39 all fiscal year 2005-2006 monies remaining unexpended and unencumbered on  
 40 October 31, 2006 revert to the state general fund.



1	Sec. 32. DEPARTMENT OF ENVIRONMENTAL QUALITY	
2		<u>2005-06</u>
3	FTE positions	428.4
4	Operating lump sum appropriation	\$ 22,078,600
5	Aquifer protection permit program	756,100
6	Hazardous waste program	716,400
7	Solid waste program	3,392,100
8	Waste tire program	219,800
9	Water quality program	3,750,400
10	Air permits administration program	5,383,900
11	Emissions control program -	
12	administration	3,942,800
13	Emissions control contractor	
14	payment	31,739,600
15	Water infrastructure finance	
16	authority	2,445,100
17	Air quality program	4,527,300
18	Underground storage tank program	22,000
19	Pima county air quality programs	<u>165,000</u>
20	Total appropriation - department of	
21	environmental quality	\$ 79,139,100
22	Fund sources:	
23	State general fund	\$ 12,991,400
24	Solid waste fee fund	1,362,800
25	Water quality fee fund	3,750,400
26	Hazardous waste management fund	716,400
27	Air permits administration fund	5,383,900
28	Emissions inspection fund	35,682,400
29	Air quality fund	4,692,300
30	Air quality - clean air subaccount	500,000
31	Indirect cost recovery fund	11,788,400
32	Used oil fund	134,000
33	Underground storage tank fund	22,000
34	Recycling fund	2,115,100
35	Performance measures:	
36	Per cent of contaminated sites closed	
37	requiring no further action (cumulative)	
38	versus known sites	77.0
39	Number of nonattainment areas exceeding	
40	national ambient air quality standards	5
41	Per cent of statutorily set permit timelines	
42	met through licensing time frames rule	99
43	Number of days per year exceeding national	
44	ambient air quality standards for ozone,	
45	carbon monoxide or particulates	0
46	Per cent of facilities from drinking water	

1 priority log assigned to enforcement staff 50  
 2 Customer satisfaction rating for citizens  
 3 (Scale 1-8) 7.4

4 Up to \$1,250,000 of the state general fund appropriation may be used  
 5 temporarily to maintain existing environmental programs for which an  
 6 application for federal funds has been submitted.

7 When expenditures from the hazardous waste or environmental health  
 8 reserves are authorized, the director of the department of environmental  
 9 quality shall report the nature of the emergency and the authorized  
 10 expenditure amount to the president of the senate, the speaker of the house  
 11 of representatives, the chairmen of the senate and house appropriations  
 12 committees and the director of the joint legislative budget committee.

13 The department of environmental quality shall report annually to the  
 14 legislature in writing on the progress of WQARF activities, including  
 15 emergency response, priority site remediation, cost recovery activity,  
 16 revenue and expenditure activity and other WQARF-funded program activity.  
 17 The department shall submit the report to the members of the joint  
 18 legislative budget committee and to the director of the joint legislative  
 19 budget committee staff by September 1, 2005.

20 Pursuant to section 49-282, Arizona Revised Statutes, the department of  
 21 environmental quality shall submit a fiscal year 2006-2007 budget for the  
 22 water quality assurance revolving fund before September 1, 2005, for review  
 23 by the house of representatives and senate appropriations committees.

24 The amounts appropriated for the water infrastructure finance authority  
 25 in fiscal year 2005-2006 shall be used to provide a twenty per cent match of  
 26 the fiscal year 2005-2006 federal safe drinking water and clean water  
 27 revolving fund allocations to this state. Of the amount appropriated, any  
 28 amount in excess of the required twenty per cent match reverts to the state  
 29 general fund.

30 The monies appropriated in the Pima county air quality programs special  
 31 line item are for use by Pima county to avoid being declared in  
 32 non-attainment of particulate matter standards by establishing public  
 33 notification and outreach programs, minimizing exposure to particulate matter  
 34 concentrations and to abatement and minimization of controllable sources of  
 35 particulate matter through best available control measures. Of the monies in  
 36 the Pima county air quality programs special line item in fiscal year  
 37 2005-2006, \$50,000 shall be used for carbon monoxide monitoring as required  
 38 by the Pima county limited maintenance plan with the federal environmental  
 39 protection agency.

The appropriation from the air permits administration fund is an estimate representing all monies distributed to this fund, including balance forward, revenue and transfers during fiscal year 2005-2006. These monies are appropriated to the Arizona department of environmental quality for the purposes established in section 49-455, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect actual final receipts credited to the air permits administration fund.

Sec. 33. STATE BOARD OF EQUALIZATION

	<u>2005-06</u>
FTE positions	7.0
Lump sum appropriation	\$ 567,200
Fund sources:	
State general fund	\$ 567,200
Performance measures:	
Average calendar days to process a property tax appeal from receipt to issuance	28
Per cent of rulings upheld in tax courts	100
Customer satisfaction rating (Scale 1-8)	6.1

The state board of equalization shall report to the joint legislative budget committee by October 31, 2005 with a variety of options for conversion of its existing computer system. The report shall include an assessment of the options by the information technology authorization committee.

Sec. 34. BOARD OF EXECUTIVE CLEMENCY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	16.0	16.0
Lump sum appropriation	\$ 956,700	\$ 956,700
Fund sources:		
State general fund	\$ 956,700	\$ 956,700
Performance measures:		
Customer satisfaction rating for victims (Scale 1-8)	6.0	6.0

Sec. 35. ARIZONA EXPOSITION AND STATE FAIR BOARD

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	186.0	186.0
Lump sum appropriation	\$ 15,123,900	\$ 15,123,900
Fund sources:		
Arizona exposition and state fair fund	\$ 15,123,900	\$ 15,123,900
Performance measures:		
Fair attendance	1,100,000	1,100,000
Per cent of guests rating state fair "good" or "excellent" based on annual survey	98	98

1	Sec. 36. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS		
2		<u>2005-06</u>	<u>2006-07</u>
3	FTE positions	4.0	4.0
4	Lump sum appropriation	\$ 304,800**	\$ 304,900
5	Fund sources:		
6	Board of funeral directors and		
7	embalmers fund	\$ 304,800	\$ 304,900
8	Performance measures:		
9	Average calendar days to resolve a complaint	78	78
10	Average calendar days to renew a license	23	23
11	Customer satisfaction rating (Scale 1-8)	7.7	7.7
12	Sec. 37. GAME AND FISH DEPARTMENT		
13		<u>2005-06</u>	<u>2006-07</u>
14	FTE positions	274.5	274.5
15	Operating lump sum appropriation	\$ 22,700,600	\$ 22,622,700
16	Pittman - Robertson/Dingell -		
17	Johnson act	2,808,000	2,808,000
18	Performance incentive pay program	<u>346,800*</u>	<u>346,800*</u>
19	Total appropriation - game and fish		
20	department	\$ 25,855,400	\$ 25,777,500
21	Fund sources:		
22	Game and fish fund	\$ 23,312,600	\$ 23,234,700
23	Waterfowl conservation fund	43,400	43,400
24	Wildlife endowment fund	16,000	16,000
25	Watercraft licensing fund	2,183,200	2,183,200
26	Game, nongame, fish and		
27	endangered species fund	300,200	300,200
28	Performance measures:		
29	Per cent of public satisfaction with		
30	off-highway vehicle and watercraft		
31	information products and services	65	65
32	Per cent of anglers rating their experience		
33	as "excellent", or greater than or equal		
34	to 9, on a scale of 1 to 10	69	69
35	In addition to the \$2,808,000 for the Pittman - Robertson/Dingell -		
36	Johnson act special line item, the lump sum appropriation includes \$40,000		
37	for cooperative fish and wildlife research which may be used for the purpose		
38	of matching federal and apportionment funds.		
39	The \$300,000 from the game and fish fund and \$46,800 from the		
40	watercraft licensing fund in fiscal year 2005-2006 and fiscal year 2006-2007		
41	for the performance incentive pay program special line item shall be used for		
42	personal services and employee related expenditures associated with the		
43	department's performance incentive pay program in accordance with Laws 1999,		
44	chapter 138. This appropriation is a continuing appropriation and is exempt		
45	from the provisions of section 35-190, Arizona Revised Statutes, relating to		
46	lapsing of appropriations.		

The game and fish department and the department of transportation shall conduct a joint study to examine the transfer of responsibility for processing watercraft registration from the game and fish department to the department of transportation. This study shall be submitted to the joint legislative budget committee by December 30, 2005 and is to include an implementation plan with a proposed date for the transfer of watercraft registration and examine the overall impact to citizens, potential cost savings, and the number of full-time equivalent positions to be transferred from the game and fish department to the department of transportation.

The shooting range appropriation of \$100,000 in fiscal year 2005-2006 and fiscal year 2006-2007, included in the lump sum appropriation, is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until December 31, 2007.

Sec. 38. DEPARTMENT OF GAMING

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	115.0	118.0
Operating lump sum appropriation	\$ 8,000,000	\$ 8,000,000
Casino operations certification	1,829,100	1,810,500
Problem gambling	<u>1,812,800</u>	<u>1,812,800</u>
Total appropriation - department of gaming	\$ 11,641,900	\$ 11,623,300
Fund sources:		
Tribal state compact fund	\$ 1,829,100	\$ 1,810,500
Arizona benefits fund	9,512,800	9,512,800
State lottery fund	300,000	300,000
Performance measures:		
Per cent of gaming facilities reviewed for compact compliance	100	100
Per cent of vendor customers satisfied with process	96	96

Sec. 39. ARIZONA GEOLOGICAL SURVEY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	12.3	12.3
Lump sum appropriation	\$ 796,700	\$ 796,700
Fund sources:		
State general fund	\$ 796,700	\$ 796,700
Performance measures:		
Satisfaction with service provided (Scale 1-5)	4.9	4.9

Sec. 40. GOVERNMENT INFORMATION TECHNOLOGY AGENCY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	21.0	21.0
Lump sum appropriation	\$ 2,536,600	\$ 2,539,200
Fund sources:		
Information technology fund	\$ 2,536,600	\$ 2,539,200
Performance measures:		

1	Per cent of information technology (IT)		
2	projects completed on schedule and		
3	within budget	92	92
4	Per cent of agency IT managers rating		
5	GITA performance as excellent	60	60
6	Sec. 41. OFFICE OF THE GOVERNOR		
7		<u>2005-06</u>	
8	Lump sum appropriation	\$ 6,127,700*	
9	Fund sources:		
10	State general fund	\$ 6,127,700	
11	Included in the lump sum appropriation of \$6,127,700 for fiscal year		
12	2005-2006 is \$10,000 for the purchase of mementos and items for visiting		
13	officials.		
14	Sec. 42. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING		
15		<u>2005-06</u>	
16	FTE positions	22.0	
17	Lump sum appropriation	\$ 1,721,400	
18	Fund sources:		
19	State general fund	\$ 1,721,400	
20	Performance measures:		
21	Per cent of participants rating budget and		
22	planning training "good" or "excellent"	98	
23	Sec. 43. DEPARTMENT OF HEALTH SERVICES		
24		<u>2005-06</u>	
25	<u>Administration</u>		
26	FTE positions	406.5	
27	Operating lump sum appropriation	\$ 15,696,800	
28	Assurance and licensure	9,371,900	
29	Attorney general legal services	412,800	
30	Newborn screening fund - indirect		
31	costs	478,600	
32	Indirect cost fund	<u>7,153,000</u>	
33	Total appropriation and expenditure		
34	authority - administration	\$ 33,113,100	
35	Fund sources:		
36	State general fund	\$ 21,768,200	
37	Capital outlay stabilization fund	1,576,100	
38	Newborn screening program fund	478,600	
39	Indirect cost fund	7,153,000	
40	Nursing care institution resident		
41	protection fund	38,000	
42	Emergency medical services		
43	operating fund	249,500	
44	Federal child care and development		
45	fund block grant	729,000	
46	Hearing and speech professionals		

1	fund	296,200
2	Tobacco tax and health care fund -	
3	medically needy account	200,000
4	Expenditure authority	624,500
5	Performance measures:	
6	Per cent of relicensure surveys completed	
7	on time	
8	Child care facilities	75
9	Health care facilities	50
10	Per cent of complaint investigations initiated	
11	later than investigative guidelines	
12	Child care facilities	5
13	Health care facilities	25

14 The department of health services shall report to the joint legislative  
 15 budget committee by August 15, 2005 on an expenditure plan to use \$200,000 in  
 16 additional funding to reduce licensure backlogs in health care facilities.  
 17 The department shall further report to the committee by June 30, 2006 on the  
 18 outcome of these efforts to reduce health care licensure backlogs.

19 Public health

20	FTE positions	240.5
21	Operating lump sum appropriation	\$ 5,706,300
22	AIDS reporting and surveillance	1,125,000
23	Alzheimer disease research	2,000,000
24	Alzheimer's research - biotechnology	3,000,000
25	Arizona statewide immunization	
26	information system	460,900
27	Community health centers	10,412,300
28	County public health	200,000
29	County tuberculosis provider	
30	care and control	1,010,500
31	Diabetes prevention and control	100,000
32	Direct grants	460,300
33	EMS operations	2,145,100
34	Hepatitis C surveillance	360,900
35	Kidney program	50,500
36	Laboratory services	3,902,200
37	Loan repayment	250,000
38	Poison control center funding	925,000
39	Reimbursement to counties	67,900
40	Renal and nonrenal disease	
41	management	468,000
42	Scorpion antivenom	150,000
43	STD control subventions	26,300
44	Telemedicine	260,000
45	Trauma advisory board	360,400

1	University of Arizona poison	
2	control center funding	1,275,000
3	Vaccines	<u>3,016,100</u>
4	Total - public health	\$ 37,732,700
5	Fund sources:	
6	State general fund	\$ 27,137,700
7	Arizona medical board fund	100,000
8	Emergency medical services	
9	operating fund	3,434,700
10	Environmental laboratory licensure	
11	revolving fund	860,300
12	Health research fund	1,000,000
13	Poison control fund	2,200,000
14	Tobacco tax and health care fund	
15	medically needy account	3,000,000
16	Performance measures:	
17	Immunization rate among 2-year-old children	80
18	Per cent of high school youth who smoked	
19	in the last month	18
20	Customer waiting time in vital records	
21	lobby (in minutes)	20
22	Of the \$10,412,300 appropriated for community health centers, \$744,000	
23	shall be distributed as follows for county primary care programs: Pinal	
24	county, \$180,000; Yavapai county, \$564,000.	
25	The department of health services may use up to four per cent of the	
26	amounts appropriated for renal and nonrenal disease management, community	
27	health centers and telemedicine for the administrative costs to implement	
28	each program.	
29	No monies appropriated for AIDS reporting and surveillance and renal	
30	and nonrenal disease management may be spent for services for persons who are	
31	not residents of this state.	
32	The department of health services shall require the screening of	
33	potential recipients of vaccines for private insurance coverage, eligibility	
34	for the federal vaccines for children program and eligibility for the state	
35	children's health insurance program. This requirement applies to vaccines	
36	purchased with state monies appropriated for the vaccines special line item	
37	for both the federal 317 program and the state-only immunization program.	
38	The department of health services shall report to the joint legislative	
39	budget committee by February 1, 2006 on the amount of federal monies received	
40	for fiscal year 2005-2006 for the 317 vaccines program.	



The appropriation for direct grants is to provide for local health work and a portion of the cost of employing 1 public health nurse and 1 sanitarian in counties with populations of less than 500,000 persons. The monies are to be divided equally among eligible counties on a nonmatching basis. All monies that are received by a county under this appropriation and that are not used for the prescribed purposes revert to the state general fund.

The \$67,900 appropriated for reimbursement to counties is to provide matching monies to counties with populations of less than 500,000 persons for local health work on an equal matching basis and shall be distributed based on the proportion of funding each county received in fiscal year 2002-2003.

The \$200,000 appropriated for county public health shall be distributed as follows to the following counties to reimburse local health departments pursuant to section 36-189, Arizona Revised Statutes: Coconino, \$36,220; Gila, \$5,440; Mohave, \$30,780; Yavapai, \$25,820; Yuma, \$101,740.

The department of health services shall charge a copay of \$10 per child for immunizations administered under the vaccines special line item.

The \$3,000,000 appropriated for Alzheimer's research - biotechnology shall only be expended for research on Alzheimer's disease conducted by a nonprofit medical research foundation in this state that specializes in biotechnology and that collaborates with universities, hospitals, biotechnology and health science research centers and other public and private biotechnology businesses in the state.

#### Family health

FTE positions	89.8
Operating lump sum appropriation	\$ 5,219,300
Abstinence funding	1,000,000
Adult cystic fibrosis	105,200
Adult sickle cell anemia	33,000
AHCCCS-children's rehabilitative services	53,934,900
Breast and cervical cancer screening	1,090,000
Child fatality review team	100,000
Children's rehabilitative services	3,587,000
County nutrition services	330,300
County prenatal services grant	1,148,500
Folic acid	200,000
Health start	226,600
High risk perinatal services	3,630,600
Medicaid special exemption payments	1,176,900
Newborn screening program	<u>3,205,100</u>
Total appropriation and expenditure authority - family health	\$ 74,987,400
Fund sources:	
State general fund	\$ 32,126,000
Child fatality review fund	100,000
Emergency medical services	

1	operating fund	450,000
2	Newborn screening program fund	3,205,100
3	Tobacco tax and health care fund -	
4	medically needy account	200,000
5	Expenditure authority	38,906,300
6	Performance measures:	

7	Number of newborns screened under newborn	
8	screening program	92,500

9 The amounts appropriated for children's rehabilitative services and for  
 10 AHCCCS-children's rehabilitative services are intended to cover all costs in  
 11 full for contracts for the provision of services to clients, unless a  
 12 transfer of monies is approved by the joint legislative budget committee.

13 The department of health services may transfer up to \$350,000 in  
 14 revenues from the indirect cost fund to the Arizona health care cost  
 15 containment system for the purpose of meeting indirect cost state match  
 16 requirements related to AHCCCS - children's rehabilitative services program.

17 Of the \$3,630,600 appropriated for high risk perinatal services  
 18 \$583,000 shall be distributed to counties.

19 The department of health services shall distribute all monies  
 20 appropriated for the county prenatal services grant on a pass-through basis  
 21 with consideration to population, need and amount received in prior years.

22 Behavioral health

23	FTE positions	122.0
24	Operating lump sum appropriation	\$ 8,656,300
25	Arnold v. Sarn	37,696,400
26	Children's behavioral health	
27	services	9,351,800
28	Children's behavioral health state	
29	match for title XIX	265,932,200
30	Court monitoring	197,500
31	Medicaid special exemption	
32	payments	15,850,300
33	Medicare clawback payments	- 0 -
34	Mental health and substance abuse	
35	state match for title XIX	80,839,300
36	Mental health nontitle XIX	2,447,300
37	Proposition 204 - administration	6,126,500
38	Proposition 204 - children's	
39	behavioral health services	3,146,900
40	Proposition 204 - general mental	
41	health and substance abuse	75,592,500
42	Proposition 204 - seriously	
43	mentally ill services	158,811,500
44	Seriously emotionally handicapped	
45	children	500,000

1	Seriously mentally ill nontitle	
2	XIX	61,116,700
3	Seriously mentally ill state match	
4	for title XIX	161,122,000
5	Substance abuse nontitle XIX	<u>14,635,400</u>
6	Total appropriation and expenditure	
7	authority - behavioral health	\$902,022,600
8	Fund sources:	
9	State general fund	\$339,475,400
10	Tobacco tax and health care fund	
11	medically needy account	30,424,800
12	Substance abuse services fund	2,500,000
13	Expenditure authority	529,622,400

14	Performance measures:	
15	Per cent of RBHA title XIX clients	
16	satisfied with services	90
17	Per cent of title XIX population that is	
18	enrolled in a behavioral health service	11.5

19 The amount appropriated for children's behavioral health services shall  
 20 be used to provide services for nontitle XIX eligible children. The amount  
 21 shall not be used to pay for either federally or nonfederally reimbursed  
 22 services for title XIX eligible children, unless a transfer of monies is  
 23 reviewed by the joint legislative budget committee.

24 On a monthly basis, the department shall provide information to the  
 25 joint legislative budget committee by program for all populations on the  
 26 number of new and nontitle XIX clients reviewed for title XIX eligibility  
 27 under proposition 204 as well as the number that convert from nontitle XIX  
 28 status or that are newly enrolled.

29 It is the intent of the legislature that the total amount available in  
 30 the Arnold v. Sarn special line item be used for the population covered by  
 31 the Arnold v. Sarn lawsuit in counties with a population of over two million  
 32 or more persons and for seriously mentally ill persons that meet the same  
 33 criteria as those covered by the Arnold v. Sarn lawsuit in counties with  
 34 populations of less than two million persons.

35 It is the intent of the legislature that the per cent attributable to  
 36 administration/profit for the regional behavioral health authority in  
 37 Maricopa county is nine per cent of the overall capitation rate.

38	<u>Arizona state hospital</u>	
39	FTE positions	876.7
40	Operating lump sum appropriation	\$ 43,924,700
41	Community placement treatment	6,704,800
42	Corrective action plan	3,564,600
43	Sexually violent persons	<u>9,999,100</u>
44	Total - Arizona state hospital	\$ 64,193,200
45	Fund sources:	
46	State general fund	\$ 51,978,600

1	Arizona state hospital fund	11,864,600
2	ASH land earnings fund	350,000

3 Performance measures:

4	Per cent of adult clients successfully	
5	placed in community who return for	
6	another stay within 1 year of discharge	5.0

7 The department of health services shall report to the joint legislative  
 8 budget committee by the end of each calendar quarter in fiscal year 2005-2006  
 9 on expenditures made out of the corrective action plan special line item.  
 10 The report shall include, at a minimum, monies expended to fill vacant  
 11 registered nurse positions, for the hiring of critical positions, to fund  
 12 registered nurse counteroffers, for increased drug costs and for maintenance  
 13 of the state hospital. The report shall also indicate how these expenditures  
 14 have helped to address items related to the state hospital's corrective  
 15 action plan.

16		
17	Total appropriation and expenditure	
18	authority - department of	
19	health services	\$1,112,049,000

20 Fund sources:

21	State general fund	\$ 472,485,900
22	Arizona medical board fund	100,000
23	Arizona state hospital fund	11,864,600
24	ASH land earnings fund	350,000
25	Capital outlay stabilization fund	1,576,100
26	Child fatality review fund	100,000
27	Emergency medical services	
28	operating fund	4,134,200
29	Environmental laboratory licensure	
30	revolving fund	860,300
31	Federal child care and development	
32	block grant	729,000
33	Health research fund	1,000,000
34	Hearing and speech professionals fund	296,200
35	Indirect cost fund	7,153,000
36	Newborn screening program fund	3,683,700
37	Nursing care institution resident	
38	protection fund	38,000
39	Poison control fund	2,200,000
40	Substance abuse services fund	2,500,000
41	Tobacco tax and health care fund	
42	medically needy account	33,824,800

43	Expenditure authority	569,153,200
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44 The department shall report to the joint legislative budget committee  
 45 by March 1 of each year on preliminary actuarial estimates of the capitation  
 46 rate increases for the following fiscal year. Before implementation of any

1 changes in capitation rates for the AHCCCS-children's rehabilitative services  
2 special line item and any title XIX behavioral health line items, the  
3 department of health services shall report its expenditure plan to the joint  
4 legislative budget committee for its review. Unless required for compliance  
5 with federal law, before the department implements any changes in policy  
6 affecting the amount, sufficiency, duration and scope of health care services  
7 and who may provide services, the department shall prepare a fiscal impact  
8 analysis on the potential effects of this change on the following year's  
9 capitation rates. If the fiscal analysis demonstrates that these changes  
10 will result in additional state costs of \$500,000 or greater for a given  
11 fiscal year, the department shall submit the policy changes to the joint  
12 legislative budget committee for review. The department shall also report  
13 quarterly to the joint legislative budget committee itemizing all policy  
14 changes with fiscal impacts of less than \$500,000 in state costs.

15 In addition to the appropriation for the department of health services,  
16 earnings on state lands and interest on the investment of the permanent land  
17 funds are appropriated to the state hospital in compliance with the enabling  
18 act and the Constitution of Arizona.

19 A monthly report comparing total expenditures for the month and  
20 year-to-date as compared to prior year totals shall be forwarded to the  
21 president of the senate, the speaker of the house of representatives, the  
22 chairmen of the senate and house appropriations committees and the director  
23 of the joint legislative budget committee by the thirtieth of the following  
24 month. The report shall include an estimate of (1) potential shortfalls in  
25 programs, (2) potential federal and other funds, such as the statewide  
26 assessment for indirect costs, that may be available to offset these  
27 shortfalls, and a plan, if necessary, for eliminating any shortfall without a  
28 supplemental appropriation, and (3) total expenditure authority of the month  
29 and year-to-date for seriously mentally ill state match for title XIX,  
30 seriously mentally ill nontitle XIX, children's behavioral health services,  
31 children's behavioral health state match for title XIX, mental health  
32 nontitle XIX, substance abuse nontitle XIX, seriously emotionally handicapped  
33 children and children's rehabilitative services.

34 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
35 any transfer to or from the amounts appropriated for seriously mentally ill  
36 state match for title XIX, seriously mentally ill nontitle XIX, Arnold v.  
37 Sarn, folic acid, children's behavioral health services, children's  
38 behavioral health state match for title XIX, mental health nontitle XIX,  
39 substance abuse nontitle XIX, mental health and substance abuse state match  
40 for title XIX, seriously emotionally handicapped children, children's  
41 rehabilitative services, AHCCCS - children's rehabilitative services, adult  
42 cystic fibrosis, adult sickle cell anemia, high risk perinatal services,  
43 county prenatal services grant, community placement treatment, sexually  
44 violent persons, county tuberculosis provider care and control, kidney  
45 program, county nutrition services, community health centers, vaccines, renal  
46 and nonrenal disease management, AIDS reporting and surveillance,

telemedicine, university of Arizona poison center funding and the poison control center funding shall require review by the joint legislative budget committee. The department may transfer monies between the amounts appropriated for proposition 204 children's behavioral health services, proposition 204 seriously mentally ill services, and proposition 204 general mental health and substance abuse without review by the joint legislative budget committee but may not transfer monies to and from these line items to any other line item except as provided above without review by the joint legislative budget committee. The amounts appropriated for these items shall be used exclusively for contracts for the provision of services to clients unless a transfer of monies is reviewed by the joint legislative budget committee or unless otherwise permitted to be expended for administrative costs as specified in this act. Monies shall not be used from these appropriated amounts for any other expenses of the department of health services, unless a transfer of monies is reviewed by the joint legislative budget committee.

Sec. 44. ARIZONA HISTORICAL SOCIETY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	59.9	59.9
Operating lump sum appropriation	\$ 2,007,000	\$ 2,007,000
Field services and grants	80,000	80,000
Papago park museum	<u>2,084,100</u>	<u>2,086,200</u>
Total appropriation - Arizona historical society	\$ 4,171,100	\$ 4,173,200
Fund sources:		
State general fund	\$ 3,977,400	\$ 3,979,500
Capital outlay stabilization fund	193,700	193,700
Performance measures:		
Paid number of visitors	30,000	30,000
Customer satisfaction rating (Scale 1-8)	7.0	7.0

Of the \$80,000 appropriation for field services and grants, \$50,000 reverts if the city of Phoenix does not make its agreed upon cash contribution pursuant to the memorandum of understanding executed between the city of Phoenix and the Arizona historical society.

Sec. 45. PRESCOTT HISTORICAL SOCIETY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	16.0	16.0
Lump sum appropriation	\$ 639,100	\$ 639,100
Fund sources:		
State general fund	\$ 639,100	\$ 639,100
Performance measures:		
Paid number of visitors	15,000	15,000
Customer satisfaction rating (Scale 1-8)	7.9	7.9

Sec. 46. BOARD OF HOMEOPATHIC MEDICAL EXAMINERS

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	1.0	1.0

1	Lump sum appropriation	\$ 77,600**	\$ 78,300
2	Fund sources:		
3	Board of homeopathic medical		
4	examiners fund	\$ 77,600	\$ 78,300
5	Performance measures:		
6	Average calendar days to resolve a complaint	130	130
7	Average calendar days to renew a license	47	47
8	Customer satisfaction rating (Scale 1-8)	6.0	6.0
9	Sec. 47. DEPARTMENT OF HOUSING		
10		<u>2005-06</u>	<u>2006-07</u>
11	FTE positions	9.0	9.0
12	Lump sum appropriation	\$ 664,700	\$ 654,200
13	Fund sources:		
14	Housing trust fund	\$ 664,700	\$ 654,200
15	Performance measures:		
16	Households assisted into homeownership	295	295
17	Affordable rental units assisted	4,311	4,311
18	Customer satisfaction rating (Scale 1-7)	6.1	6.1
19	Sec. 48. INDUSTRIAL COMMISSION		
20		<u>2005-06</u>	<u>2006-07</u>
21	FTE positions	285.0	285.0
22	Lump sum appropriation	\$ 17,212,300	\$ 17,204,000
23	Fund sources:		
24	Industrial commission		
25	administrative fund	\$ 17,212,300	\$ 17,204,000
26	Performance measures:		
27	Average number of days to resolve a case		
28	by the administrative law judge division	125	125
29	Per cent of workers' compensation claims		
30	processed within 5 days	99	99
31	Elevator inspections conducted	5,500	5,500
32	Customer satisfaction rating for workers'		
33	compensation program (Scale 1-8)	7.0	7.0
34	Sec. 49. DEPARTMENT OF INSURANCE		
35		<u>2005-06</u>	<u>2006-07</u>
36	FTE positions	106.5	106.5
37	Operating lump sum appropriation	\$ 5,822,100	\$ 5,822,100
38	Managed care and dental plan		
39	oversight	525,600	525,600
40	NCOIL participation	<u>25,000</u>	<u>25,000</u>
41	Total appropriation - department of insurance	\$ 6,372,700	\$ 6,372,700
42	Fund sources:		
43	State general fund	\$ 6,347,700	\$ 6,347,700
44	Captive insurance regulatory		
45	and supervision fund	25,000	25,000

1	Performance measures:		
2	Average calendar days to complete a		
3	consumer complaint investigation	110	110
4	Per cent of survey licensees respondents		
5	indicating "satisfied" or "better"	92	92
6	Per cent of consumer services survey		
7	respondents indicating "satisfied"		
8	or "better"	75	75
9	Average number of days to issue a license	45	45
10	The \$25,000 appropriated in the NCOIL participation special line item		
11	is for the costs of participating in the national conference of insurance		
12	legislators.		
13	Sec. 50. ARIZONA JUDICIARY		
14		<u>2005-06</u>	
15	<u>Supreme court</u>		
16	FTE positions	227.6	
17	Operating lump sum appropriation	\$ 14,391,900	
18	Automation	14,826,900	
19	County reimbursements	246,000	
20	Court appointed special advocate	3,217,600	
21	Domestic relations	713,900	
22	Foster care review board	2,136,900	
23	Commission on judicial conduct	348,600	
24	Judicial nominations and		
25	performance review	284,300	
26	Model court	514,300	
27	Rural state aid to courts	418,500	
28	State aid	<u>5,620,800</u>	
29	Total appropriation - supreme court	\$ 42,719,700	
30	Fund sources:		
31	State general fund	\$ 11,773,100	
32	Confidential intermediary and		
33	fiduciary fund	476,900	
34	Court appointed special advocate		
35	fund	4,467,600	
36	Criminal justice enhancement fund	3,091,800	
37	Defensive driving school fund	5,691,400	
38	Judicial collection enhancement		
39	fund	14,774,600	
40	State aid to the courts fund	2,444,300	
41	Performance measures:		
42	Customer satisfaction rating for defensive		
43	driving schools (Scale 1-8)	7.6	



1 By September 1, 2005, the supreme court shall report to the joint  
2 legislative budget committee on current and future automation projects  
3 coordinated by the administrative office of the courts. The report shall  
4 include a list of court automation projects that receive state monies and  
5 shall include projects occurring in the current fiscal year, as well as  
6 projects planned for the next two fiscal years. The report shall provide a  
7 description of each project as well as the funding source, estimated cost for  
8 each fiscal year, number of FTE positions, the entities involved, and the  
9 goals and anticipated results for each automation project. The report shall  
10 be submitted in one summary document.

11 Included in the appropriation for the supreme court program is \$1,000  
12 for the purchase of mementos and items for visiting officials.

13 By November 1, 2005, the administrative office of the courts shall  
14 report to the joint legislative budget committee on the total receipts and  
15 expenditures in each account of the adult probation services fund established  
16 by section 12-267, Arizona Revised Statutes, and the juvenile probation fund  
17 established by section 12-268, Arizona Revised Statutes. The report shall  
18 present the information by county and include the amount of personal services  
19 expended from each revenue source of each account.

20 All case processing assistance fund receipts received by the  
21 administrative office of the courts in excess of \$3,091,800 in fiscal year  
22 2005-2006 are appropriated to the supreme court. Before the expenditure of  
23 any case processing assistance fund receipts in excess of \$3,091,800 in  
24 fiscal year 2005-2006, the administrative office of the courts shall submit  
25 the intended use of the monies for review by the joint legislative budget  
26 committee.

27 All defensive driving school fund receipts received by the  
28 administrative office of the courts in excess of \$5,691,400 in fiscal year  
29 2005-2006 are appropriated to the supreme court. Before the expenditure of  
30 any defensive driving school fund receipts in excess of \$5,691,400 in fiscal  
31 year 2005-2006, the administrative office of the courts shall submit the  
32 intended use of the monies for review by the joint legislative budget  
33 committee.

34 Notwithstanding any other law, the amount appropriated for rural state  
35 aid to courts shall be allocated to counties with populations of less than  
36 500,000 persons.

37 All judicial collection enhancement fund receipts received by the  
38 administrative office of the courts in excess of \$14,774,600 in fiscal year  
39 2005-2006 are appropriated to the supreme court. Before the expenditure of  
40 judicial collection enhancement fund receipts in excess of \$14,774,600 in  
41 fiscal year 2005-2006, the administrative office of the courts shall submit  
42 the intended use of the monies for review by the joint legislative budget  
43 committee.

44 The administrative office of the courts shall not transfer monies  
45 between the supreme court operating budget and the automation line item  
46 without review by the joint legislative budget committee.

1	<u>Court of appeals</u>	
2	FTE positions	140.8
3	Division I	\$ 7,981,200
4	Performance measures:	
5	Customer satisfaction rating for	
6	settlement program (Scale 1-8)	6.8
7	Division II	\$ 3,706,700
8	Performance measures:	
9	Customer satisfaction rating for	
10	settlement program (Scale 1-8)	7.6
11	Total appropriation - court of appeals	\$ 11,687,900
12	Fund sources:	
13	State general fund	\$ 11,687,900
14	Of the 140.8 full-time equivalent positions for fiscal year 2005-2006,	
15	102.8 FTE positions are for Division I and 38.0 FTE positions are for	
16	Division II.	
17	<u>Superior court</u>	
18	FTE positions	202.3
19	Judges compensation	\$ 15,035,900
20	Adult standard probation	11,453,200
21	Adult intensive probation	10,168,200
22	Community punishment	2,743,400
23	Interstate compact	570,200
24	Juvenile standard probation	7,639,000
25	Juvenile intensive probation	13,241,200
26	Juvenile treatment services	22,101,400
27	Juvenile family counseling	660,400
28	Juvenile crime reduction	5,153,000
29	Progressively increasing	
30	consequences	9,391,900
31	Special water master	<u>20,000</u>
32	Total appropriation - superior court	\$ 98,177,800
33	Fund sources:	
34	State general fund	\$ 90,694,400
35	Criminal justice enhancement fund	6,983,400
36	Drug treatment and education fund	500,000
37	Performance measures:	
38	Customer satisfaction rating by states	
39	participating in the interstate compact	
40	(Scale 1-8)	7.4
41	<u>Juvenile standard probation:</u>	
42	Per cent of probationers successfully	
43	completing probation without a referral	
44	(a notice of misbehavior)	80
45	<u>Juvenile intensive probation (JIPS):</u>	
46	Per cent of probationers successfully	

1 completing probation without a referral  
2 (a notice of misbehavior) 75  
3 Adult standard probation:  
4 Per cent of probationers successfully  
5 completing probation without a new  
6 conviction 75  
7 Adult intensive probation (AIPS):  
8 Per cent of probationers successfully  
9 completing probation without a new  
10 conviction 70  
11 Of the 202.3 FTE positions, 161 FTE positions represent superior court  
12 judges. One-half of their salaries are provided by state general fund  
13 appropriations pursuant to section 12-128, Arizona Revised Statutes. This is  
14 not meant to limit the counties' ability to add additional judges pursuant to  
15 section 12-121, Arizona Revised Statutes.  
16 Up to 4.6 per cent of the amounts appropriated for juvenile probation  
17 services - treatment services and progressively increasing consequences may  
18 be retained and expended by the supreme court to administer the programs  
19 established by section 8-322, Arizona Revised Statutes, and to conduct  
20 evaluations as needed. The remaining portion of the treatment services and  
21 progressively increasing consequences programs shall be deposited in the  
22 juvenile probation services fund established by section 8-322, Arizona  
23 Revised Statutes.  
24 Receipt of state probation monies by the counties is contingent on the  
25 county maintenance of fiscal year 2003-2004 expenditure levels for each  
26 probation program. State probation monies are not intended to supplant  
27 county dollars for probation programs.  
28 All community punishment program receipts received by the  
29 administrative office of the courts in excess of \$2,743,400 in fiscal year  
30 2005-2006 are appropriated to the community punishment line item. Before the  
31 expenditure of any community punishment receipts in excess of \$2,743,400 in  
32 fiscal year 2005-2006, the administrative office of the courts shall submit  
33 the intended use of the monies for review by the joint legislative budget  
34 committee.  
35 All juvenile crime reduction fund receipts received by the  
36 administrative office of the courts in excess of \$5,153,000 in fiscal year  
37 2005-2006 are appropriated to the juvenile crime reduction line item. Before  
38 the expenditure of any juvenile crime reduction fund receipts in excess of  
39 \$5,153,000 in fiscal year 2005-2006, the administrative office of the courts  
40 shall submit the intended use of the monies for review by the joint  
41 legislative budget committee.  
42 The administrative office of the courts shall not allocate any monies  
43 appropriated for adult probation services to Maricopa county. It is the  
44 intent of the legislature that Maricopa county will pay for adult probation  
45 programs in that county.

1		
2	Total appropriation - Arizona judiciary	\$152,585,400
3	Fund sources:	
4	State general fund	\$114,155,400
5	Confidential intermediary and	
6	fiduciary fund	476,900
7	Court appointed special advocate	
8	fund	4,467,600
9	Criminal justice enhancement fund	10,075,200
10	Defensive driving school fund	5,691,400
11	Drug treatment and education fund	500,000
12	Judicial collection enhancement	
13	fund	14,774,600
14	State aid to the courts fund	2,444,300
15	Sec. 51. DEPARTMENT OF JUVENILE CORRECTIONS	
16		<u>2005-06</u>
17	FTE positions	1,029.2
18	Lump sum appropriation	\$ 70,009,700
19	Fund sources:	
20	State general fund	\$ 63,840,300
21	State charitable, penal and	
22	reformatory institutions	
23	land fund	3,360,000
24	Criminal justice enhancement fund	585,300
25	State education fund for committed	
26	youth	2,224,100
27	Performance measures:	
28	Escapes from DJC secure care facilities	0
29	Juveniles passing the GED language test	92
30	Per cent of juveniles who show progress in	
31	their primary treatment problem area	80
32	Per cent of juveniles returned to custody	
33	within 12 months of release	18
34	The lump sum appropriation of \$70,009,700 includes \$1,500,000 from the	
35	state charitable, penal and reformatory institutions land fund for operating	
36	expenses related to a federal audit and \$1,500,000 from the state charitable,	
37	penal and reformatory institutions land fund for education, health and safety	
38	renovation projects. Of the \$1,500,000 for renovation projects, the	
39	department may expend up to \$567,000 for a vocational education facility at	
40	the Black Canyon campus.	
41	The department shall provide a travel stipend to all southwest regional	
42	juvenile correction complex staff whose residence is at least twenty miles	
43	from work.	

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the department of juvenile corrections, in compliance with section 25 of the enabling act and with the Constitution of Arizona, to be used for the support of state juvenile institutions and reformatories.

Before the expenditure of any state education fund for committed youth receipts in excess of \$2,224,100, the department of juvenile corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

Sec. 52. STATE LAND DEPARTMENT

	<u>2005-06</u>
FTE positions	206.4
Operating lump sum appropriation	\$ 16,455,300
Natural resource conservation districts	446,100
Environmental county grants	125,000
CAP user fees	1,859,300
Inmate fire crews	<u>1,154,800</u>
Total appropriation - state land department	\$ 20,040,500
Fund sources:	
State general fund	\$ 19,454,800
Environmental special plate fund	266,100
ADDA risk management fund	319,600
Performance measures:	
Average land sales processing time (application to auction, in months)	23.1
Per cent of customers giving the department a rating above 4 (5 = very satisfied)	90
Total trust generated	\$333,300,000

The appropriation includes \$1,859,300 for central Arizona project user fees in fiscal year 2005-2006. For every dollar received as reimbursement to the state in fiscal year 2005-2006, from cities that assume their allocation of central Arizona project water for past central Arizona water conservation district payments, one dollar reverts to the state general fund in the year that the reimbursement is collected.

Of the amount appropriated for natural resource conservation districts in fiscal year 2005-2006, \$30,000 shall be used to provide grants to NRCD environmental education centers.

Of the operating lump sum appropriation, the sum of \$3,064,900 supplements current planning and disposition funding and shall be used by the state land department for the sole purpose of the planning and disposition of state trust land as follows:

1. The employment of outside professional services.
2. Two full-time equivalent employment positions for the planning and disposition of state trust land located within five miles of the corporate

boundaries of incorporated cities and towns having a population of less than one hundred thousand persons.

3. The state land commissioner shall provide for the disposition of state trust land in the most expeditious manner consistent with the fiduciary duties prescribed by the Enabling Act and the Constitution of Arizona. Each calendar quarter the commissioner shall provide a report to the joint legislative budget committee on the planning, sale and lease of trust land in the preceding quarter. The report shall:

(a) Identify the number of acres that were added to a conceptual plan, added to a master plan, otherwise planned or prepared for disposition, sale and long-term commercial lease.

(b) Include an analysis of the volume of trust land in each county entering the real estate market in comparison with private and other land in the real estate market.

(c) Distinguish between urban and rural parcels.

(d) Indicate the value added or revenue received.

(e) List the resources used and dedicated to trust land planning and disposition, including full-time equivalent positions, contracts and appropriated and nonappropriated expenditures for each of the items included in the report.

(f) Include in the report for the final quarter of the fiscal year a fiscal year-end inventory of trust land prepared for sale, including the appraised value and fiscal year-end totals for the fiscal year regarding:

(i) The amount of trust land sold.

(ii) The amount of trust land put under long-term commercial lease.

(iii) The amount of revenue collected from the sale of trust land.

(iv) The amount of revenue collected from the long-term commercial lease of trust land.

(v) The amount of purchase price financed on installment sales of state trust land and the principal payoff terms and anticipated yield to the trust over the terms of the installment sales.

#### Sec. 53. LAW ENFORCEMENT MERIT SYSTEM COUNCIL

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	1.0	1.0
Lump sum appropriation	\$ 69,200	\$ 66,600
Fund sources:		
State general fund	\$ 69,200	\$ 66,600

#### Sec. 54. LEGISLATURE

	<u>2005-06</u>
<u>Senate</u>	
Lump sum appropriation	\$ 7,841,500*
Fund sources:	
State general fund	\$ 7,841,500

Included in the lump sum appropriation of \$7,841,500 for fiscal year 2005-2006 is \$1,000 for the purchase of mementos and items for visiting officials.

House of representatives

Lump sum appropriation \$ 11,955,500\*

Fund sources:

State general fund \$ 11,955,500

Included in the lump sum appropriation of \$11,955,500 for fiscal year 2005-2006 is \$1,000 for the purchase of mementos and items for visiting officials.

Legislative council

FTE positions 57.8

Operating lump sum appropriation \$ 5,656,700\*

Ombudsman-citizens aide office 371,700\*

Total appropriation - legislative council \$ 6,028,400\*

Fund sources:

State general fund \$ 6,028,400

Performance measures:

Per cent of customers rating accuracy and timeliness of bill drafting "good" or "excellent" based on annual survey 97

Per cent of customers rating accuracy of computer help desk "good" or "excellent" based on annual survey 94

Per cent of investigations completed within 3 months by office of the ombudsman-citizens aide 91

Joint legislative budget committee

FTE positions 31.0

Lump sum appropriation \$ 2,501,100\*

Fund sources:

State general fund \$ 2,501,100

Performance measures:

Survey of legislator satisfaction (4=high) 3.66

Errors in budget bills 0

Maximum per cent actual revenues vary from forecasted revenues +-3.0

Days to transmit fiscal notes 14

Auditor general

FTE positions 184.4

Lump sum appropriation \$ 12,559,200\*

Fund sources:

State general fund \$ 12,559,200

Performance measures:

Per cent of single audit recommendations

1	implemented or adopted within 1 year		
2	for financial audits	65	
3	Per cent of administrative recommendations		
4	implemented or adopted within 2 years for		
5	performance audits	95	
6	Customer satisfaction rating (Scale 1-8)	6.8	
7	<u>Library, archives and public records</u>		
8	FTE positions	114.8	
9	Operating lump sum appropriation	\$ 6,723,900	
10	Grants-in-aid	651,400	
11	Statewide radio reading service		
12	for the blind	<u>97,000</u>	
13	Total appropriation - library,		
14	archives and public records	\$ 7,472,300*	
15	Fund sources:		
16	State general fund	\$ 6,861,200	
17	Records services fund	611,100	
18	Performance measures:		
19	Customer satisfaction rating (Scale 1-8)	7.4	
20	All records services fund receipts, including prior year fund balances,		
21	received by the Arizona state library, archives and public records in excess		
22	of \$611,100 in fiscal year 2005-2006 are appropriated to the Arizona state		
23	library, archives and public records. Before the expenditure of records		
24	services fund receipts in excess of \$611,100 in fiscal year 2005-2006, the		
25	Arizona state library, archives and public records shall submit the intended		
26	use of the monies for review by the joint legislative budget committee.		
27	Sec. 55. DEPARTMENT OF LIQUOR LICENSES AND CONTROL		
28		<u>2005-06</u>	<u>2006-07</u>
29	FTE positions	42.2	42.2
30	Lump sum appropriation	\$ 2,813,700	\$ 2,813,700
31	Fund sources:		
32	State general fund	\$ 2,813,700	\$ 2,813,700
33	Performance measures:		
34	Investigations and routine liquor		
35	inspections completed	3,000	3,000
36	Average calendar days to complete an		
37	investigation	30	30
38	Per cent of customers who responded to		
39	the survey reporting "very good" or		
40	"excellent" service	86	86
41	Sec. 56. ARIZONA STATE LOTTERY COMMISSION		
42		<u>2005-06</u>	<u>2006-07</u>
43	FTE positions	110.0	110.0
44	Operating lump sum appropriation	\$ 7,040,900	\$ 6,905,600
45	Sales incentive program	50,000	50,000
46	Telecommunications	<u>2,814,400</u>	<u>2,814,400</u>



1	Total appropriation - Arizona state		
2	lottery commission	\$ 9,905,300	\$ 9,770,000
3	Fund source:		
4	State lottery fund	\$ 9,905,300	\$ 9,770,000
5	Performance measures:		
6	Increase in on-line sales from prior year	\$ 4,000,000	\$ 4,000,000
7	Increase in instant ticket sales from		
8	prior year	\$ 8,000,000	\$ 8,000,000
9	Customer satisfaction rating for retailers		
10	(Scale 1-8)	7.0	7.0
11	An amount equal to 3.6 per cent of actual instant ticket sales is		
12	appropriated for the printing of instant tickets or for contractual		
13	obligations concerning instant ticket distribution. This amount is currently		
14	estimated to be \$7,182,000 in fiscal year 2005-2006 and \$7,182,000 in		
15	2006-2007.		
16	An amount equal to a percentage of actual on-line game sales as		
17	determined by contract is appropriated for payment of on-line vendor fees.		
18	This amount is currently estimated to be \$8,348,300 in fiscal year 2005-2006		
19	and \$8,348,300 in fiscal year 2006-2007 or 4.99 per cent of actual on-line		
20	ticket sales.		
21	An amount equal to 2.7 per cent of gross lottery game sales, but no		
22	more than \$11,000,000, is appropriated for advertising in accordance with		
23	section 5-505, Arizona Revised Statutes, that states that not more than four		
24	per cent of the annual gross revenues shall be expended for advertising.		
25	This amount is currently estimated to be \$9,903,600 in fiscal year 2005-2006		
26	and \$9,903,600 in fiscal year 2006-2007.		
27	An amount equal to 6.5 per cent of gross lottery game sales is		
28	appropriated for payment of sales commissions to ticket retailers. In		
29	accordance with Laws 1997, chapter 214, an additional amount of not to exceed		
30	0.5 per cent of gross lottery game sales is appropriated for payment of sales		
31	commissions to ticket retailers. The combined amount is currently estimated		
32	to be 6.7 per cent of total ticket sales, or \$24,575,600 in fiscal year		
33	2005-2006 and \$24,575,600 in fiscal year 2006-2007.		
34	Sec. 57. ARIZONA MEDICAL BOARD		
35		<u>2005-06</u>	<u>2006-07</u>
36	FTE positions	58.5	58.5
37	Lump sum appropriation	\$ 5,150,000**	\$ 5,169,600
38	Fund sources:		
39	Arizona medical board fund	\$ 5,150,000	\$ 5,169,600

1	Performance measures:		
2	Average calendar days to resolve a complaint		
3	M.D.	150	150
4	P.A.	165	165
5	Per cent of open investigations greater than		
6	6 months old		
7	M.D.	20	20
8	P.A.	24	24
9	Customer satisfaction rating (Scale 1-8)	7.7	7.7
10	The Arizona medical board may use up to seven per cent of the Arizona		
11	medical board fund balance remaining at the end of each fiscal year for a		
12	performance based incentive program the following fiscal year based on the		
13	program established by section 38-618, Arizona Revised Statutes.		
14	Sec. 58. BOARD OF MEDICAL STUDENT LOANS		
15		<u>2005-06</u>	
16	Medical student loans	\$ 296,600	
17	Fund sources:		
18	Arizona medical board fund	\$ 283,400	
19	Medical student loan fund	13,200	
20	Performance measures:		
21	Per cent of physicians meeting service		
22	requirement	81	
23	Customer satisfaction rating (Scale 1-8)	7.4	
24	It is the intent of the Legislature that the funding for the board of		
25	medical student loans shall not be from the Arizona medical board fund in		
26	fiscal year 2006-2007.		
27	Sec. 59. STATE MINE INSPECTOR		
28		<u>2005-06</u>	<u>2006-07</u>
29			
30	FTE positions	17.0	17.0
31	Lump sum appropriation	\$ 1,116,200	\$ 1,116,200
32	Fund sources:		
33	State general fund	\$ 1,116,200	\$ 1,116,200
34	Performance measures:		
35	Per cent of mandated inspections completed	70	70
36	Number of inspections	570	570
37	Customer satisfaction rating for mines		
38	(Scale 1-8)	7.5	7.5
39	Sec. 60. DEPARTMENT OF MINES AND MINERAL RESOURCES		
40		<u>2005-06</u>	<u>2006-07</u>
41	FTE positions	7.0	7.0
42	Lump sum appropriation	\$ 794,800	\$ 794,800

1	Fund sources:		
2	State general fund	\$ 794,800	\$ 794,800
3	Performance measures:		
4	Number of paying visitors	7,500	7,500
5	Customer satisfaction rating (Scale 1-5)	4.9	4.9
6	Sec. 61. NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS		
7		<u>2005-06</u>	<u>2006-07</u>
8	FTE positions	6.0	6.0
9	Lump sum appropriation	\$ 497,400**	\$ 453,900
10	Fund sources:		
11	Naturopathic physicians board of		
12	medical examiners fund	\$ 497,400	\$ 453,900
13	Performance measures:		
14	Average calendar days to resolve a complaint	70	70
15	Average calendar days to renew a license	23	23
16	Customer satisfaction rating (Scale 1-8)	7.3	7.3
17	Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION		
18		<u>2005-06</u>	
19	FTE positions	2.0	
20	Lump sum appropriation	\$ 160,700	
21	Fund sources:		
22	State general fund	\$ 160,700	
23	Performance measures:		
24	Per cent of Arizona rivers and		
25	streams adjudicated	100	
26	Customer satisfaction rating for hearing		
27	attendees (Scale 1-8)	7.0	
28	Sec. 63. STATE BOARD OF NURSING		
29		<u>2005-06</u>	<u>2006-07</u>
30	FTE positions	40.2	40.2
31	Operating lump sum appropriation	\$ 3,029,700**	\$ 3,049,900
32	CNA fingerprinting	<u>161,400</u>	<u>161,400</u>
33	Total appropriation - state board of nursing	\$ 3,191,100	\$ 3,211,300
34	Fund sources:		
35	State general fund	\$ 161,400	\$ 161,400
36	Board of nursing fund	3,029,700	3,049,900
37	Performance measures:		
38	Average calendar days to resolve a complaint	200	200
39	Average calendar days to renew a license	5	5
40	Customer satisfaction rating (Scale 1-8)	7.2	7.2
41	Sec. 64. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND		
42	ASSISTED LIVING FACILITY MANAGERS		
43		<u>2005-06</u>	<u>2006-07</u>
44	FTE positions	5.0	5.0
45	Lump sum appropriation	\$ 372,700**	\$ 372,700

## 1 Fund sources:

2 Nursing care institution

3 administrators' licensing and

4 assisted living facility

5 managers' certification fund \$ 372,700 \$ 372,700

## 6 Performance measures:

7 Average calendar days to resolve a complaint 65 65

8 Average calendar days to renew a license 15 15

9 Customer satisfaction rating (Scale 1-8) 6.0 6.0

10 The board of examiners of nursing care institution administrators and  
 11 assisted living facility managers shall reclassify the business manager  
 12 position to an investigator position by September 1, 2005.

13 The board of examiners of nursing care institution administrators and  
 14 assisted living facility managers shall submit for review a report to the  
 15 joint legislative budget committee if any auditor general follow-up report to  
 16 the December, 2004 audit indicates that any of the auditor general  
 17 recommendations are not being implemented. The board's report shall indicate  
 18 reasons why the recommendations have not been implemented. The board's  
 19 report shall be submitted to the joint legislative budget committee within  
 20 sixty days of the publication of the auditor general's follow-up report.

## 21 Sec. 65. OCCUPATIONAL THERAPY EXAMINERS BOARD

22 2005-06 2006-07  
 23 FTE positions 3.0 3.0

24 Lump sum appropriation \$ 217,900\*\* \$ 217,900

## 25 Fund sources:

26 Occupational therapy fund \$ 217,900 \$ 217,900

## 27 Performance measures:

28 Average calendar days to resolve a complaint 85 85

29 Average calendar days to renew a license  
 30 (from receipt of application to issuance) 29 29

31 Customer satisfaction rating (Scale 1-8) 7.1 7.1

## 32 Sec. 66. STATE BOARD OF DISPENSING OPTICIANS

33 2005-06  
 34 FTE positions 1.0

35 Lump sum appropriation \$ 92,900

## 36 Fund sources:

37 Board of dispensing opticians fund \$ 92,900

## 38 Performance measures:

39 Average calendar days to resolve a complaint 90

40 Average calendar days to renew a license 30

41 Customer satisfaction rating (Scale 1-8) 6.0

## 42 Sec. 67. STATE BOARD OF OPTOMETRY

43 2005-06 2006-07  
 44 FTE positions 2.0 2.0

45 Lump sum appropriation \$ 190,100\*\* \$ 177,600

## 46 Fund sources:

1	Board of optometry fund	\$ 190,100	\$ 177,600
2	Performance measures:		
3	Average calendar days to resolve a complaint	160	160
4	Average calendar days to renew a license	2	2
5	Customer satisfaction rating (Scale 1-8)	7.4	7.4
6	Sec. 68. OSTEOPATHIC EXAMINERS BOARD		
7		<u>2005-06</u>	<u>2006-07</u>
8	FTE positions	5.5	5.5
9	Lump sum appropriation	\$ 644,800**	\$ 602,000
10	Fund sources:		
11	Board of osteopathic examiners fund	\$ 644,800	\$ 602,000
12	Performance measures:		
13	Average calendar days to resolve a complaint	315	315
14	Average calendar days to renew a license	15	15
15	Average calendar days to process license	65	65
16	Customer satisfaction rating (Scale 1-8)	6.0	6.0
17	Sec. 69. STATE PARKS BOARD		
18		<u>2005-06</u>	<u>2006-07</u>
19	FTE positions	249.3	249.3
20	Operating lump sum appropriation	\$ 12,784,500	\$ 12,784,500
21	Kartchner caverns state park	<u>1,654,800</u>	<u>1,654,800</u>
22	Total appropriation - Arizona state parks		
23	board	\$ 14,439,300	\$ 14,439,300
24	Fund sources:		
25	State general fund	\$ 2,380,500	\$ 2,380,500
26	State parks enhancement fund	10,505,800	10,505,800
27	Law enforcement and boating		
28	safety fund	1,092,700	1,092,700
29	Reservation surcharge revolving		
30	fund	460,300	460,300
31	Performance measures:		
32	Annual park attendance	2,500,000	2,500,000
33	Per cent of park visitors rating their		
34	experience "good" or "excellent"	96	96
35	The appropriation for law enforcement and boating safety fund projects		
36	is an estimate representing all monies distributed to this fund, including		
37	balance forward, revenue and transfers during fiscal years 2005-2006 and		
38	2006-2007. These monies are appropriated to the Arizona state parks board		
39	for the purposes established in section 5-383, Arizona Revised Statutes. The		
40	appropriation shall be adjusted as necessary to reflect actual final receipts		
41	credited to the law enforcement and boating safety fund.		
42	All other operating expenditures include \$26,000 from the state parks		
43	enhancement fund for Fool Hollow state park revenue sharing. If receipts to		
44	Fool Hollow exceed \$260,000 in fiscal years 2005-2006 and 2006-2007, an		
45	additional ten per cent of this increase of Fool Hollow receipts is		
46	appropriated from the state parks enhancement fund to meet the revenue		

1 sharing agreement with the city of Show Low and the United States forest  
2 service.

3 All reservation surcharge revolving fund receipts received by the  
4 Arizona state parks board in excess of \$460,300 in fiscal years 2005-2006 and  
5 2006-2007 are appropriated to the reservation surcharge revolving fund.  
6 Before the expenditure of any reservation surcharge revolving fund monies in  
7 excess of \$460,300 in fiscal years 2005-2006 and 2006-2007, the Arizona state  
8 parks board shall submit the intended use of the monies for review by the  
9 joint legislative budget committee.

10 During fiscal years 2005-2006 and 2006-2007, no appropriated or  
11 nonappropriated monies may be used for the purposes of out-of-state travel  
12 expenses by state parks board staff.

13 The state parks board shall submit to the joint legislative budget  
14 committee, on a quarterly basis, the operating expenditures of each state  
15 park.

16 Sec. 70. PERSONNEL BOARD

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	3.0	3.0
Lump sum appropriation	\$ 338,300	338,300
Fund sources:		
State general fund	\$ 338,300	\$ 338,300
Performance measures:		
Average number of calendar days from receipt of appeal/complaint to final	105	105
Per cent of customers rating service as "good" or "excellent"	92	92

27 Sec. 71. PHARMACY BOARD

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	17.0	17.0
Lump sum appropriation	\$ 1,475,300**	\$ 1,414,100
Fund sources:		
Board of pharmacy fund	\$ 1,475,300	\$ 1,414,100
Performance measures:		
Average calendar days to resolve a complaint	95	95
Customer satisfaction rating (Scale 1-8)	7.8	7.8

36 Sec. 72. BOARD OF PHYSICAL THERAPY EXAMINERS

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	3.0	3.0
Lump sum appropriation	\$ 268,400**	\$ 268,400
Fund sources:		
Board of physical therapy fund	\$ 268,400	\$ 268,400
Performance measures:		
Average calendar days to resolve a complaint	130	130
Average calendar days to renew a license	15	15
Customer satisfaction rating (Scale 1-8)	7.0	7.0

1	Sec. 73. PIONEERS' HOME		
2		<u>2005-06</u>	<u>2006-07</u>
3	FTE positions	115.8	115.8
4	Personal services	\$ 3,267,400	3,267,400
5	Employee related expenditures	1,172,200	1,172,200
6	Professional and outside services	129,300	129,300
7	Travel in-state	25,000	25,000
8	Other operating expenditures	446,800	446,800
9	Food	202,200	202,200
10	Equipment	12,000	12,000
11	Prescription drugs	<u>436,400</u>	<u>436,400</u>
12	Total appropriation - pioneers' home	\$ 5,691,300	\$ 5,691,300
13	Fund sources:		
14	Miners' hospital fund	\$ 1,468,900	\$ 1,468,900
15	State charitable fund	4,222,400	4,222,400
16	Performance measures:		
17	Per cent of residents rating services as		
18	"good" or "excellent"	98	98
19	Earnings on state lands and interest on the investment of the permanent		
20	land funds are appropriated for the pioneers' home and the hospital for		
21	disabled miners in compliance with the enabling act and the Constitution of		
22	Arizona.		
23	The pioneers' home shall not exceed its expenditure authority for		
24	monies appropriated from the miners' hospital for disabled miners' land fund.		
25	Sec. 74. STATE BOARD OF PODIATRY EXAMINERS		
26		<u>2005-06</u>	<u>2006-07</u>
27	FTE positions	1.0	1.0
28	Lump sum appropriation	\$ 110,900**	\$ 110,900
29	Fund sources:		
30	Podiatry fund	\$ 110,900	\$ 110,900
31	Performance measures:		
32	Average calendar days to resolve a complaint	70	70
33	Average days to process an application		
34	for licensure	120	120
35	Customer satisfaction rating (Scale 1-8)	6.0	6.0
36	Sec. 75. COMMISSION FOR POSTSECONDARY EDUCATION		
37		<u>2005-06</u>	
38	FTE positions	5.0	
39	Operating lump sum appropriation	\$ 346,100	
40	Leveraging educational assistance		
41	partnership (LEAP)	3,364,500	

1	Private postsecondary education	
2	student financial assistance	
3	program	170,500
4	Family college savings program	86,900
5	Arizona college and career guide	21,200
6	Arizona minority educational	
7	policy analysis center	150,300
8	Twelve plus partnership	<u>119,600</u>
9	Total appropriation - commission for	
10	postsecondary education	\$ 4,259,100
11	Fund sources:	
12	State general fund	\$ 1,391,300
13	Postsecondary education fund	2,867,800
14	Performance measures:	
15	LEAP student grants awarded	4,000
16	Per cent of customers rating commission	
17	services as "good" or "excellent"	95

18 The appropriation for leveraging educational assistance partnership is  
 19 provided to create grants under the Arizona state student incentive grant  
 20 program administered by the Arizona commission for postsecondary education.  
 21 Grants may be made according to the provisions of applicable federal and  
 22 state laws and regulations relating to this program. Only Arizona residents  
 23 who demonstrate financial need and who are attending, on at least a half-time  
 24 basis, an approved program at a properly accredited Arizona postsecondary  
 25 educational institution are eligible for the program.

26 Each participating institution, public or private, in order to be  
 27 eligible to receive state matching funds under the state student incentive  
 28 grant program for grants to students, shall provide an amount of  
 29 institutional matching funds that equals the amount of funds provided by the  
 30 state to the institution for the state student incentive grant program.  
 31 Administrative expenses incurred by the commission for postsecondary  
 32 education shall be paid from institutional matching funds and shall not  
 33 exceed twelve per cent of the funds in fiscal year 2005-2006.

34 For fiscal year 2005-2006, any unencumbered balance remaining in the  
 35 postsecondary education fund on June 30, 2005 and all grant monies and other  
 36 revenues received by the commission for postsecondary education during this  
 37 fiscal year, when paid into the state treasury, are appropriated for the  
 38 explicit purposes designated by special line items and for additional  
 39 responsibilities prescribed in sections 15-1851 and 15-1852, Arizona Revised  
 40 Statutes.

41 Of the total amount appropriated for the private postsecondary  
 42 education student financial assistance program, no more than ten per cent may  
 43 be used for program administrative costs.



The appropriations for Arizona college and career guide, Arizona minority educational policy analysis center and twelve plus partnership are estimates representing all monies distributed to this fund, including balance forward, revenue and transfers, during fiscal year 2005-2006. The appropriations shall be adjusted as necessary to reflect actual final receipts credited to the postsecondary education fund.

Sec. 76. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	4.0	4.0
Lump sum appropriation	\$ 280,900**	\$ 289,500
Fund sources:		
Board for private postsecondary education fund	\$ 280,900	\$ 289,500
Performance measures:		
Average number of days to pay fund claims	90	90
Average days to process student record requests	10	10
Customer satisfaction rating (Scale 1-8)	7.8	7.8

Sec. 77. STATE BOARD OF PSYCHOLOGIST EXAMINERS

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	4.0	4.0
Lump sum appropriation	\$ 346,800**	\$ 351,700
Fund sources:		
Board of psychologist examiners fund	\$ 346,800	\$ 351,700
Performance measures:		
Average calendar days to resolve a complaint	92	92
Average days to process an application for licensure	38	38
Customer satisfaction rating (Scale 1-8)	7.4	7.4

Sec. 78. DEPARTMENT OF PUBLIC SAFETY

	<u>2005-06</u>
FTE positions	1,901.8
Operating lump sum appropriation	\$157,087,600
GITEM	4,632,600
Statewide interoperability design	<u>1,238,000</u>
Sworn officer salary adjustments	3,000,000
Microwave communications upgrade lease-purchase	<u>1,602,200</u>
Total appropriation - department of public safety	\$167,560,400

1 Fund sources:

2	State general fund	\$ 34,516,700
3	Highway user revenue fund	59,618,700
4	State highway fund	39,327,700
5	Arizona highway patrol fund	18,481,600
6	Criminal justice enhancement fund	2,541,300
7	Safety enforcement and transportation	
8	infrastructure fund	1,233,200
9	Crime laboratory assessment fund	4,395,400
10	Arizona deoxyribonucleic acid	
11	identification system fund	2,556,000
12	Automated fingerprint identification	
13	system fund	2,441,300
14	Motorcycle safety fund	205,000
15	Risk management fund	296,200
16	Sex offender monitoring fund	345,100
17	State homeland security funding	1,602,200

18 Performance measures:

19	Per cent of scientific analysis cases over	
20	30 calendar days old	2.5
21	Per cent of system reliability of the Arizona	
22	automated fingerprint identification network	98
23	Clandestine labs dismantled	50

24 Any monies remaining in the department of public safety joint account  
 25 on June 30, 2006 shall revert to the funds from which they were appropriated.  
 26 The reverted monies shall be returned in direct proportion to the amounts  
 27 appropriated.

28 It is the intent of the legislature that monies appropriated to the  
 29 GITEM special line item shall not be allocated by the department of public  
 30 safety to any county with a population greater than seven hundred fifty  
 31 thousand or to any city or town located within a county with a population  
 32 greater than seven hundred fifty thousand.

33 The department of public safety shall monitor the performance of the  
 34 federal bureau of investigation's national instant criminal background check  
 35 system (NICS) in fiscal year 2005-2006 and submit a report to the joint  
 36 legislative budget committee by February 1, 2006 regarding the results of  
 37 performance monitoring. Performance monitoring shall include, but is not  
 38 limited to, the average response time, rejection rates, the number of default  
 39 proceeds, the number of guns sold to disqualified individuals and NICS  
 40 availability.

41 Distribution of the monies appropriated for sworn officer salary  
 42 adjustments shall be determined by the department.

1 Monies totaling \$1,602,200 from state homeland security funding are  
 2 monies the state receives from the federal government for state homeland  
 3 security issues in fiscal year 2004-2005.

4 The department of public safety shall submit an expenditure report to  
 5 the joint legislative budget committee for review before expending any  
 6 lease-purchase proceeds for the microwave communications upgrade. The  
 7 department shall also submit a project investment justification for review  
 8 and approval by the government information technology agency before expending  
 9 any monies.

10 Sec. 79. ARIZONA DEPARTMENT OF RACING

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	46.5	46.5
Lump sum appropriation	\$ 2,844,500	\$ 2,844,500
Fund sources:		
State general fund	\$ 2,499,500	\$ 2,499,500
County fair racing fund	300,000	300,000
Racing administration fund	45,000	45,000
Performance measures:		
Per cent of horse racing customers reporting		
"very good" or "excellent" service	99	99
Per cent of greyhound racing customers		
reporting "very good" or "excellent" service	99	99
Per cent of positive horse drug tests	1.2	1.2
Per cent of positive greyhound drug tests	0.02	0.02

25 The department of racing shall report to the president of the senate,  
 26 the speaker of the house of representatives, the chairpersons of the senate  
 27 and house of representatives appropriations committees and the director of  
 28 the joint legislative budget committee on an annual basis on boxing related  
 29 activities. The report shall contain the number of boxing events, gross  
 30 receipts, state revenues and license fee collections.

31 Sec. 80. RADIATION REGULATORY AGENCY

	<u>2005-06</u>	<u>2006-07</u>
FTE positions	25.0	25.0
Lump sum appropriation	\$ 1,352,900	\$ 1,352,900
Fund sources:		
State general fund	\$ 1,105,600	\$ 1,105,600
State radiologic technologist		
certification fund	247,300	247,300
Performance measures:		
Per cent of x-ray tubes overdue for inspection	22	22
Radiological incidents (non-Palo Verde related)	15	15
Radiological incidents (Palo Verde)	0	0
Customer satisfaction rating (Scale 1-8)	7.5	7.5

1	Sec. 81. GOVERNOR - ARIZONA RANGERS' PENSIONS		
2		<u>2005-06</u>	<u>2006-07</u>
3	Lump sum appropriation	\$ 12,800	\$ 13,000
4	Fund sources:		
5	State general fund	\$ 12,800	\$ 13,000
6	Sec. 82. REAL ESTATE DEPARTMENT		
7		<u>2005-06</u>	<u>2006-07</u>
8	FTE positions	65.4	65.4
9	Operating lump sum appropriation	\$ 3,016,000	\$ 3,006,400
10	Subdivisions	525,700	523,100
11	Total appropriation - real estate		
12	department	\$ 3,541,700	\$ 3,529,500
13	Fund sources:		
14	State general fund	\$ 3,541,700	\$ 3,529,500
15	Performance measures:		
16	Average days to issue a public report	30.0	30.0
17	Average days from receipt to issuance of		
18	license reports	4.5	4.5
19	Per cent of surveys from licensees indicating		
20	"good" to "excellent" service	99.7	99.7
21	Average days from receipt of complaint to		
22	resolution	104.5	104.5
23	The above amounts include \$333,300 in fiscal year 2005-2006 and		
24	\$321,100 in fiscal year 2006-2007 from the state general fund to fill vacant		
25	FTE positions. The department is required to allocate the additional funding		
26	for 4 FTE positions in the licensing division, 3 FTE positions in the		
27	subdivision division, 1 FTE position in the investigations division, and 0.5		
28	FTE position for information technology.		
29	Sec. 83. RESIDENTIAL UTILITY CONSUMER OFFICE		
30		<u>2005-06</u>	<u>2006-07</u>
31	FTE positions	12.0	12.0
32	Operating lump sum appropriation	\$ 1,026,800	\$ 1,030,100
33	Professional witnesses	<u>145,000*</u>	<u>145,000*</u>
34	Total appropriation - residential utility		
35	consumer office	\$ 1,171,800	\$ 1,175,100
36	Fund sources:		
37	Residential utility consumer office		
38	revolving fund	\$ 1,171,800	\$ 1,175,100
39	Performance measures:		
40	Per cent variance between utilities'		
41	requests for rate increases and the		
42	actual ACC authorized rates	(12.5)	(12.5)

1	Sec. 84. BOARD OF RESPIRATORY CARE EXAMINERS		
2		<u>2005-06</u>	<u>2006-07</u>
3	FTE positions	4.0	4.0
4	Lump sum appropriation	\$ 189,000**	\$ 189,000
5	Fund sources:		
6	Board of respiratory care		
7	examiners' fund	\$ 189,000	\$ 189,000
8	Performance measures:		
9	Average calendar days to resolve a complaint	78	78
10	Customer satisfaction rating (Scale 1-8)	6.2	6.2
11	Sec. 85. STATE RETIREMENT SYSTEM		
12		<u>2005-06</u>	
13	FTE positions	221.0	
14	Operating lump sum appropriation	\$ 16,073,700	
15	Information technology plan	<u>6,320,700</u>	
16	Total appropriation - state retirement		
17	system	\$ 22,394,400	
18	Fund sources:		
19	State retirement system		
20	administration account	\$ 19,496,700	
21	Long-term disability		
22	administration account	2,897,700	
23	Performance measures:		
24	Per cent of members satisfied with ASRS		
25	telephone services	87	
26	Per cent of investment returns	8.0	
27	Per cent of benefit payment calculations		
28	that are accurate as measured by quality		
29	control sample	96	
30	The state retirement system shall provide a report by the end of each		
31	calendar quarter during fiscal year 2005-2006 to the joint legislative budget		
32	committee on the discussions and actions of the state retirement system board		
33	regarding their efforts to minimize the retirement contribution rate.		
34	Before the expenditure of the appropriation of \$6,320,700 in fiscal		
35	year 2005-2006 and the hiring of FTE positions appropriated for the agency's		
36	information technology plan, the retirement system shall present an		
37	expenditure plan to the joint legislative budget committee staff for review.		
38	The expenditure plan shall include current year and prior years'		
39	appropriations to be spent in the current year. The retirement system shall		
40	include the approval of the project investment justification document by the		
41	information technology authorization committee as part of its submission to		
42	the joint legislative budget committee staff. The agency shall provide		
43	semiannual reports to the joint legislative budget committee staff regarding		
44	the expenditures and project tasks completed to date. Actual divestiture of		
45	monies from the retirement fund for expenditure shall occur following the		

1 joint legislative budget committee staff review of the agency's information  
2 technology plan.

3 Sec. 86. DEPARTMENT OF REVENUE

4		<u>2005-06</u>
5	FTE positions	1,148.0
6	Operating lump sum appropriation	\$ 58,270,100
7	Revenue generating program	<u>6,788,900</u>
8	Total appropriation - department of revenue	\$ 65,059,000
9	Fund sources:	
10	State general fund	\$ 62,728,500
11	Estate and unclaimed property fund	1,489,700
12	Liability setoff fund	384,100
13	Tobacco tax and health care fund	456,700
14	Performance measures:	
15	Average calendar days to refund income tax	8.3
16	Per cent of written taxpayer inquiries	
17	answered within 30 calendar days	
18	of receipt	65
19	Per cent of delinquent accounts collected	11
20	Customer satisfaction rating for taxpayer	
21	information section (Scale 1-5)	4.6

22 Included in the total appropriation of \$65,059,000 for fiscal year  
23 2005-2006 is \$6,788,900 from the state general fund and 153 FTE positions for  
24 the revenue generating program. This program is expected to generate  
25 \$53,249,000 for the state general fund in fiscal year 2005-2006. The  
26 department shall provide quarterly progress reports to the joint legislative  
27 budget committee as to the effectiveness of the revenue generating program  
28 and the department's overall enforcement and collections program. The  
29 reports shall include a comparison of projected and actual revenue  
30 enforcement collections for fiscal year 2005-2006. The reports are due  
31 within thirty days after the end of each calendar quarter.

32 The department of revenue shall pay no more than \$368,100 from all  
33 funds in fiscal year 2005-2006 for their risk management payment to the  
34 department of administration.

35 Sec. 87. SCHOOL FACILITIES BOARD

36		<u>2005-06</u>
37	FTE positions	18.0
38	Operating lump sum appropriation	\$ 1,599,500
39	New school facilities debt service	<u>50,940,100</u>
40	Total appropriation - school facilities	
41	board	\$ 52,539,600
42	Fund sources:	
43	State general fund	\$ 52,539,600
44	Performance measures:	
45	Per cent of school districts inspected	
46	meeting minimum adequacy standards	100

1	Per cent of school districts rating the		
2	board's services as "good" or "excellent"		
3	in an annual survey	90	
4	Sec. 88. DEPARTMENT OF STATE - SECRETARY OF STATE		
5		<u>2005-06</u>	
6	FTE positions	42.3	
7	Operating lump sum appropriation	\$ 2,178,800	
8	Election services	783,900	
9	Help America vote act	<u>40,000,000</u>	
10	Total appropriation - secretary of state	\$ 42,962,700	
11	Fund sources:		
12	State general fund	\$ 2,962,700	
13	Election systems improvement fund	40,000,000	
14	Performance measures:		
15	Per cent of documents returned to public		
16	filer in 48 hours (business services		
17	division)	85	
18	Per cent of election law complaints reviewed		
19	and acted on within 7 days	100	
20	The secretary of state shall report to the joint legislative budget		
21	committee by December 31, 2005 the actual amount and purpose of expenditures		
22	from the election systems improvement fund in fiscal year 2004-2005 and the		
23	expected amounts and purpose of expenditures from the fund for fiscal years		
24	2005-2006 and 2006-2007.		
25	Sec. 89. STATE BOARDS' OFFICE		
26		<u>2005-06</u>	<u>2006-07</u>
27	FTE positions	2.0	2.0
28	Lump sum appropriation	\$ 172,100**	\$ 172,100
29	Fund sources:		
30	Special services revolving fund	\$ 172,100	\$ 172,100
31	Performance measures:		
32	Overall customer satisfaction rating		
33	(Scale 1-8)	7.1	7.1
34	Sec. 90. STRUCTURAL PEST CONTROL COMMISSION		
35		<u>2005-06</u>	<u>2006-07</u>
36	FTE positions	33.0	33.0
37	Lump sum appropriation	\$ 1,925,700**	\$ 1,925,700
38	Fund sources:		
39	Structural pest control commission		
40	fund	\$ 1,925,700	\$ 1,925,700
41	Performance measures:		
42	Average calendar days to resolve a complaint	89	89
43	Average calendar days to renew a license	10	10
44	Customer satisfaction rating (Scale 1-8)	6.8	6.8
45	Sec. 91. STATE BOARD OF TAX APPEALS		
46		<u>2005-06</u>	<u>2006-07</u>

1	FTE positions	4.0	4.0
2	Lump sum appropriation	\$ 277,900	\$ 277,900
3	Fund sources:		
4	State general fund	\$ 277,900	\$ 277,900
5	Performance measures:		
6	Months to process appeal	4.5	4.5
7	Per cent of rulings upheld in tax courts	95	95
8	Customer satisfaction rating (Scale 1-8)	6.1	6.1
9	Sec. 92. BOARD OF TECHNICAL REGISTRATION		
10		<u>2005-06</u>	<u>2006-07</u>
11	FTE positions	19.0	19.0
12	Lump sum appropriation	\$ 1,388,000**	\$ 1,387,700
13	Fund sources:		
14	Technical registration fund	\$ 1,388,000	\$ 1,387,700
15	Performance measures:		
16	Average calendar days to resolve a complaint	180	180
17	Average calendar days to process an initial		
18	application	90	90
19	Customer satisfaction rating (Scale 1-8)	8.0	8.0
20	Sec. 93. DEPARTMENT OF TRANSPORTATION		
21		<u>2005-06</u>	
22	<u>Administration</u>		
23	FTE positions	378.0	
24	Lump sum appropriation	\$ 40,188,500	
25	Fund sources:		
26	State highway fund	\$ 40,188,500	
27	<u>Highways</u>		
28	FTE positions	2,329.0	
29	Operating lump sum appropriation	\$114,912,900	
30	Highway maintenance	107,358,500	
31	Vehicles and heavy equipment	34,004,700	
32	Vehicles and heavy equipment		
33	fuel surcharge	<u>2,000,000</u>	
34	Total - highways	\$258,276,100	
35	Fund sources:		
36	State general fund	\$ 71,700	
37	Safety enforcement and		
38	transportation		
39	infrastructure fund	558,700	
40	State highway fund	222,641,000	
41	Transportation department		
42	equipment fund	35,004,700	
43	Performance measures:		
44	Per cent of Maricopa regional freeway		
45	miles completed	88	
46	Per cent of overall highway construction		



1 projects completed on schedule 100

2 Of the total amount appropriated for the highways program, \$107,358,500  
 3 in fiscal year 2005-2006 for highway maintenance is exempt from the  
 4 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing  
 5 of appropriations, except that all unexpended and unencumbered monies of the  
 6 appropriation revert to their fund of origin, either the state highway fund  
 7 or the safety enforcement and transportation infrastructure fund, on August  
 8 31, 2006.

9 Of the \$391,490,100 appropriation to the Arizona department of  
 10 transportation, the department shall pay \$16,773,800 in fiscal year 2005-2006  
 11 from all funds to the Arizona department of administration for their risk  
 12 management payment.

13 Motor vehicle

14 FTE positions 1,549.7

15 Lump sum appropriation \$ 91,058,500

16 Fund sources:

17 Air quality fund \$ 58,600

18 Highway user revenue fund 383,300

19 Motor vehicle liability insurance  
 20 enforcement fund 1,891,000

21 Safety enforcement and  
 22 transportation infrastructure  
 23 fund 1,544,500

24 State highway fund 85,757,500

25 Vehicle inspection and title  
 26 enforcement fund 1,423,600

27 Performance measures:

28 Average office wait time (minutes) 15.0

29 Per cent of office customers rating  
 30 services "good" or "excellent" 83

31 Average telephone wait time to speak  
 32 to an MVD employee (minutes) 18.5

33 Per cent of alternative vehicle  
 34 registration renewal methods  
 35 (mail, internet, third party) 74

36 It is the intent of the legislature that all monies appropriated for  
 37 the motor vehicle division field offices and electronic services are combined  
 38 resources designed to improve customer services and that the department  
 39 should pursue increased efforts to further the utilization of electronic  
 40 services (e-business transactions) to enhance customer services and create  
 41 efficiencies, enhanced customer service and security issues.

42 The appropriation for the motor vehicle division includes an increase  
 43 of \$140,500 and 3 FTE positions for increased workload in third party quality  
 44 assurance. The department shall submit quarterly progress reports to the  
 45 joint legislative budget committee for review of their progress in increasing  
 46 third party transactions, the status of third party quality assurance

1 staffing, workload, backlog and the moratorium on accepting new third  
 2 parties. The reports are due within 30 days after the end of each calendar  
 3 quarter.

4 The game and fish department and the department of transportation shall  
 5 conduct a joint study to examine the transfer of responsibility for  
 6 processing watercraft registration from the game and fish department to the  
 7 department of transportation. This study shall be submitted to the joint  
 8 legislative budget committee by December 30, 2005 and is to include an  
 9 implementation plan with a proposed date for the transfer of watercraft  
 10 registration and examine the overall impact to citizens, potential cost  
 11 savings, and the number of full-time equivalent positions to be transferred  
 12 from the game and fish department to the department of transportation.

13 The appropriation for the motor vehicle division includes 8 FTE  
 14 positions and \$721,700 from the state highway fund for fraudulent document  
 15 staff. If H.B. 2393 or similar legislation to address fraudulent documents  
 16 is enacted into law during the forty-seventh Legislature, first regular  
 17 session, the sum of \$721,700 and 8 FTE positions shall revert to the state  
 18 highway fund.

19 Aeronautics

20 FTE positions 33.0

21 Lump sum appropriation \$ 1,967,000

22 Fund sources:

23 State aviation fund \$ 1,967,000

24 Performance measures:

25 Per cent of airport development projects  
 26 completed on schedule 95

27 Total appropriation - department of  
 28 transportation \$391,490,100

29 Fund sources:

30 State general fund \$ 71,700

31 Air quality fund 58,600

32 Highway user revenue fund 383,300

33 Motor vehicle liability  
 34 insurance enforcement fund 1,891,000

35 Safety enforcement and  
 36 transportation infrastructure  
 37 fund 2,103,200

38 State aviation fund 1,967,000

39 State highway fund 348,587,000

40 Transportation department  
 41 equipment fund 35,004,700

42 Vehicle inspection and title  
 43 enforcement fund 1,423,600

By September 1, 2005, the department shall report to the joint legislative budget committee information on unit cost measures for the committee's review. The report shall include measures for fiscal year 2004-2005 for highway maintenance landscape in-house unit cost per centerline mile and highway maintenance landscape contract unit cost per centerline mile. The highway maintenance landscape in-house unit cost per centerline mile shall include the department's direct costs and the costs of training and supervision, administrative overhead, employee related expenditures and all other operating expenditures such as risk management, building depreciation and rent. The highway maintenance landscape contract unit cost per centerline mile shall include the department's actual contract costs and the costs for bidding and administering the contract, inspecting and approving the work, training and supervision of purchasing and other involved department employees, administrative overhead, employee related expenditures and all other operating expenditures such as risk management, building depreciation and rent. For the highway maintenance landscape contract unit cost per centerline mile, the report shall identify the amount of transaction privilege taxes included in the contract costs. The report shall explain the methodology used to derive each unit cost measure, including the dollar amounts for each cost item and how each dollar amount was used in the calculation of the unit cost measure.

Sec. 94. STATE TREASURER

		<u>2005-06</u>
	FTE positions	33.4
	Operating lump sum appropriation	\$ 2,535,700
	Justice of the peace salaries	<u>2,775,500</u>
	Total appropriation - state treasurer	\$ 5,311,200
	Fund sources:	
	State general fund	\$ 5,311,200
	Performance measures:	
	Ratio of yield of LGIP to Standard	
	and Poor's LGIP index	1.7
	Ratio of yield of endowment pools to	
	Big Bond Index	1.10
	Customer satisfaction rating for local	
	government investment pool participants	
	(Scale 1-8)	6.1

It is the intent of the legislature that the investment management fee on monies managed by the state treasurer be set at eight basis points.

The state treasurer shall submit a report to the joint legislative budget committee by August 1, 2005, regarding all 529 plans provided by the state. The report shall include, but is not limited to, the following information for each 529 plan: the number of new accounts, existing accounts and closed accounts by financial institution for the previous calendar year and the dollars under management for each, the total number of out of state and in state account holders, the annual basis points charged for account

1 maintenance, fee schedule, maturity options and the historical return for a  
 2 \$10,000 initial deposit. The report shall also highlight the costs  
 3 associated with Arizona's 529 plans, relative to those available through  
 4 other states. The report shall also provide data consistent with national  
 5 standards, such as the college savings plan network disclosure principles,  
 6 that discloses all fees and costs of the program as compared to those in  
 7 other states.

8 Sec. 95. ARIZONA COMMISSION ON UNIFORM STATE LAWS

	<u>2005-06</u>	<u>2006-07</u>
9 Lump sum appropriation	\$ 52,300	\$ 52,300
10 Fund sources:		
11 State general fund	\$ 52,300	\$ 52,300

12 Sec. 96. ARIZONA BOARD OF REGENTS

	<u>2005-06</u>
14 FTE positions	27.9
15 Operating lump sum appropriation	\$ 2,135,000
16 Arizona teachers incentive program	90,000
17 Arizona transfer articulation	
18 support system	213,700
19 Student financial assistance	2,161,200
20 Western interstate commission	
21 office	103,000
22 WICHE student subsidies	<u>2,908,100</u>
23 Total appropriation - Arizona board of	
24 regents	\$ 7,611,000
25 Fund sources:	
26 State general fund	\$ 7,611,000
27 Performance measures:	
28 Per cent of graduating seniors who rate	
29 their overall university experience	
30 as "good"/"excellent"	95
31 Per cent of full-time undergraduate students	
32 enrolled per semester in three or more	
33 primary courses with ranked faculty	77
34 Average number of years taken to graduate	
35 for students who began as freshmen	4.7

36 Within ten days of the acceptance of the universities' semiannual all  
 37 funds budget reports, the Arizona board of regents shall inform the joint  
 38 legislative budget committee of any tuition revenue amounts that are  
 39 different from the amounts appropriated by the legislature and shall submit  
 40 an expenditure plan for any tuition revenue amounts that are greater than the  
 41 appropriated amounts to the joint legislative budget committee for its  
 42 review. The expenditure plan shall also include as an informational item,  
 43 any additional local retention amounts above the amounts estimated in the  
 44 original fiscal year 2005-2006 budget request.

45 Sec. 97. ARIZONA STATE UNIVERSITY

1		<u>2005-06</u>
2	<u>Main campus</u>	
3	FTE positions	6,314.5
4	Lump sum appropriation	\$460,809,700
5	Fund sources:	
6	State general fund	\$289,187,200
7	University collections fund	171,622,500
8	Performance measures:	
9	Per cent of graduating seniors who rate	
10	their overall university experience	
11	as "good"/"excellent"	95
12	Per cent of full-time undergraduate	
13	students enrolled per semester in 3 or	
14	more primary courses with ranked faculty	72
15	Average number of years taken to graduate	
16	for students who began as freshmen	4.6
17	External dollars for research and creative	
18	activity	\$180,000,000
19	<u>East campus</u>	
20	FTE positions	349.3
21	Operating lump sum appropriation	\$ 26,118,700
22	Lease-purchase payment	<u>2,000,000</u>
23	Total - East campus	\$ 28,118,700
24	Fund sources:	
25	State general fund	\$ 14,813,600
26	University collections fund	11,305,100
27	Technology and research initiative	
28	fund	2,000,000
29	Performance measures:	
30	Per cent of graduating seniors who rate	
31	their overall university experience	
32	as "good"/"excellent"	96
33	Per cent of full-time undergraduate students	
34	enrolled per semester in 3 or more primary	
35	courses with ranked faculty	66
36	Average number of years taken to graduate	
37	for students who began as freshmen	5.2
38	<u>West campus</u>	
39	FTE positions	679.5
40	Operating lump sum appropriation	\$ 60,047,200
41	Lease-purchase payment	<u>1,600,000</u>
42	Total - West campus	\$ 61,647,200
43	Fund sources:	
44	State general fund	\$ 42,711,500
45	University collections fund	17,335,700
46	Technology and research initiative	

1	fund	1,600,000
2	Performance measures:	
3	Per cent of graduating seniors who rate	
4	their overall university experience	
5	as "good"/"excellent"	98
6	Per cent of full-time undergraduate students	
7	enrolled per semester in 3 or more primary	
8	courses with ranked faculty	72
9	Total appropriation - Arizona state	
10	university	\$550,575,600
11	Fund sources:	
12	State general fund	\$346,712,300
13	University collections fund	200,263,300
14	Technology and research initiative	
15	fund	3,600,000
16	The state general fund appropriations shall not be used for alumni	
17	association funding.	
18	The appropriated monies are not to be used for scholarships.	
19	The appropriated monies are not to be used to support any student	
20	newspaper.	
21	The appropriated monies shall not be used by the Arizona state	
22	university college of law legal clinic for any lawsuits involving inmates of	
23	the state department of corrections in which the state is the adverse party.	
24	Any unencumbered balances remaining in the collections account on June	
25	30, 2005 and all collections received by the university during the fiscal	
26	year, when paid into the state treasury, are appropriated for operating	
27	expenditures, capital outlay and fixed charges. Earnings on state lands and	
28	interest on the investment of the permanent land funds are appropriated in	
29	compliance with the enabling act and the Constitution of Arizona. No part of	
30	this appropriation may be expended for supplemental life insurance or	
31	supplemental retirement. Receipts from summer session, when deposited in the	
32	state treasury, together with any unencumbered balance in the summer session	
33	account, are hereby appropriated for the purpose of conducting summer	
34	sessions but are excluded from the amounts enumerated above.	
35	Sec. 98. NORTHERN ARIZONA UNIVERSITY	
36		<u>2005-06</u>
37	FTE positions	2,079.7
38	Operating lump sum appropriation	\$151,988,900
39	NAU - Yuma	<u>2,192,300</u>
40	Total appropriation - Northern Arizona	
41	university	\$154,181,200
42	Fund sources:	
43	State general fund	\$117,990,900
44	University collections fund	36,190,300

## 1 Performance measures:

2 Per cent of graduating seniors who rate  
 3 their overall university experience  
 4 as "good"/"excellent" 98

5 Per cent of full-time undergraduate  
 6 students enrolled per semester in  
 7 3 or more primary courses with  
 8 ranked faculty 93

9 Average number of years taken to graduate  
 10 for students who began as freshmen 4.4

11 The state general fund appropriations shall not be used for alumni  
 12 association funding.

13 The appropriated monies are not to be used for scholarships.

14 The appropriated monies are not to be used to support any student  
 15 newspaper.

16 Any unencumbered balances remaining in the collections account on June  
 17 30, 2005 and all collections received by the university during the fiscal  
 18 year, when paid into the state treasury, are appropriated for operating  
 19 expenditures, capital outlay and fixed charges. Earnings on state lands and  
 20 interest on the investment of the permanent land funds are appropriated in  
 21 compliance with the enabling act and the Constitution of Arizona. No part of  
 22 this appropriation may be expended for supplemental life insurance or  
 23 supplemental retirement. Receipts from summer session, when deposited in the  
 24 state treasury, together with any unencumbered balance in the summer session  
 25 account, are hereby appropriated for the purpose of conducting summer  
 26 sessions but are excluded from the amounts enumerated above.

27 Sec. 99. UNIVERSITY OF ARIZONA

28 2005-06

29 Main campus

30 FTE positions	5,474.9
31 Operating lump sum appropriation	\$334,556,000
32 Agriculture	47,393,200
33 Sierra Vista campus	<u>3,665,500</u>
34 Total - Main campus	\$385,614,700

35 Fund sources:

36 State general fund	\$278,486,200
37 University collections fund	107,128,500

38 Performance measures:

39 Per cent of graduating seniors who rate  
 40 their overall university experience  
 41 as "good"/"excellent" 95

42 Per cent of full-time undergraduate students  
 43 enrolled per semester in 3 or more primary  
 44 courses with ranked faculty 80

45 Average number of years taken to graduate  
 46 for students who began as freshmen 4.6

1	<u>Health sciences center</u>		
2	FTE positions	673.7	
3	Operating lump sum appropriation	\$ 56,457,200	
4	Clinical rural rotation	466,100	
5	Clinical teaching support	9,434,500	
6	Liver research institute	494,900	
7	Telemedicine network	<u>1,177,700</u>	
8	Total - health sciences center	\$ 68,030,400	
9	Fund sources:		
10	State general fund	\$ 55,483,700	
11	University collections fund	12,546,700	
12	Performance measures:		
13	Per cent of graduating seniors who rate		
14	their overall university experience		
15	as "good"/"excellent"	99	
16	Total appropriation - university of		
17	Arizona	<u>\$453,645,100</u>	
18	Fund sources:		
19	State general fund	\$333,969,900	
20	University collections fund	119,675,200	
21	The state general fund appropriations shall not be used for alumni		
22	association funding.		
23	The appropriated monies are not to be used for scholarships.		
24	The appropriated monies are not to be used to support any student		
25	newspaper.		
26	Any unencumbered balances remaining in the collections account on June		
27	30, 2005 and all collections received by the university during the fiscal		
28	year, when paid into the state treasury, are appropriated for operating		
29	expenditures, capital outlay and fixed charges. Earnings on state lands and		
30	interest on the investment of the permanent land funds are appropriated in		
31	compliance with the enabling act and the Constitution of Arizona. No part of		
32	this appropriation may be expended for supplemental life insurance or		
33	supplemental retirement. Receipts from summer session, when deposited in the		
34	state treasury, together with any unencumbered balance in the summer session		
35	account, are hereby appropriated for the purpose of conducting summer		
36	sessions but are excluded from the amounts enumerated above.		
37	Sec. 100. DEPARTMENT OF VETERANS' SERVICES		
38		<u>2005-06</u>	<u>2006-07</u>
39	FTE positions	299.3	299.3
40	Operating lump sum appropriation	\$ 14,578,100	\$ 14,554,600
41	Southern Arizona cemetery	134,700	134,700
42	Telemedicine project	10,000	10,000
43	Veterans' organizations contracts	<u>29,200</u>	<u>29,200</u>
44	Total appropriation - department of		
45	veterans' services	\$ 14,752,000	\$ 14,728,500



1	Fund sources:		
2	State general fund	\$ 2,259,000	\$ 2,259,000
3	State home for veterans' trust		
4	fund	11,834,600	11,834,600
5	State veterans' conservatorship		
6	fund	658,400	634,900
7	Performance measures:		
8	DHS quality rating of the veterans' home		
9	("excellent", "standard" or "substandard")	Excellent	Excellent
10	Per cent of customers rating department's		
11	services as "good" or "excellent"	95	95
12	Sec. 101. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD		
13		<u>2005-06</u>	<u>2006-07</u>
14	FTE positions	5.5	5.5
15	Lump sum appropriation	\$ 401,600**	\$ 401,600
16	Fund sources:		
17	Veterinary medical examining		
18	board fund	\$ 401,600	\$ 401,600
19	Performance measures:		
20	Average calendar days to resolve a complaint	60	60
21	Average calendar days to renew a license	60	60
22	Customer satisfaction rating (Scale 0-100)	93	93
23	Sec. 102. DEPARTMENT OF WATER RESOURCES		
24		<u>2005-06</u>	
25	FTE positions	189.7	
26	Operating lump sum appropriation	\$ 15,250,500	
27	Arizona water protection fund		
28	deposit	- 0 -	
29	Rural water studies	<u>1,900,000</u>	
30	Total appropriation - department of water		
31	resources	\$ 17,150,500	
32	Fund sources:		
33	State general fund	\$ 17,150,500	
34	Performance measures:		
35	Per cent of Colorado River		
36	entitlement used	100	
37	Per cent of Arizona's unused		
38	Colorado River entitlement		
39	that is recharged via the		
40	water banking authority	95	
41	Number of dams in a nonemergency		
42	unsafe condition	13	
43	Customer satisfaction rating for hydrology		
44	program (Scale 1-8)	8.0	

Funding appropriated for the purposes of rural water studies is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations through June 30, 2007.

Sec. 103. DEPARTMENT OF WEIGHTS AND MEASURES

2005-06

General services

FTE positions 24.9

Lump sum appropriation \$ 1,598,000

Fund sources:

State general fund \$ 1,530,900

Motor vehicle liability insurance enforcement fund 67,100

Vapor recovery

FTE positions 7.5

Lump sum appropriation \$ 500,400

Fund sources:

Air quality fund \$ 500,400

Oxygenated fuel

FTE positions 6.0

Lump sum appropriation \$ 793,800

Fund sources:

Air quality fund \$ 793,800

Total appropriation - department

of weights and measures \$ 2,892,200

Fund sources:

State general fund \$ 1,530,900

Air quality fund 1,294,200

Motor vehicle liability insurance enforcement fund 67,100

Performance measures:

Average customer satisfaction rating

(Scale 1-5) 4.7

Per cent of retail stores' price

scanning devices in compliance 65

Per cent of cleaner burning gas

samples in compliance with oxygenated fuel standards 100

Per cent of gasoline dispensing facilities

inspected annually that are in compliance with vapor recovery standards 90

Sec. 104. Advance appropriation; judicial salary increases

A. The sum of \$1,500,000 is appropriated from the defensive driving school fund to the supreme court for judicial salary increases effective January 1, 2007. These monies shall be allocated proportionately to the supreme court, court of appeals and superior court.

1 B. The appropriations made in this section are exempt from the  
 2 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing  
 3 of appropriations.

4 Sec. 105. Transfer of monies from the budget stabilization fund  
 5 to the state general fund; fiscal year 2005-2006

6 Notwithstanding section 35-144, Arizona Revised Statutes, the sum of  
 7 \$63,000,000 is transferred from the budget stabilization fund to the state  
 8 general fund in fiscal year 2005-2006.

9 Sec. 106. Appropriation; operating adjustments

	<u>2005-06</u>
10 Salary adjustments	\$ 44,400,000
11 Fund sources:	
12 State general fund	\$ 32,600,000
13 Other appropriated funds	11,800,000
14 State employee health insurance	
15 adjustments	\$ 27,500,000
16 Fund sources:	
17 State general fund	\$ 18,000,000
18 Other appropriated funds	9,500,000
19 State employee retirement	
20 adjustments	\$ 37,200,000
21 Fund sources:	
22 State general fund	\$ 22,800,000
23 Other appropriated funds	14,400,000
24 Attorney general legal services	
25 cost allocation adjustments	\$ 1,000,000
26 Fund sources:	
27 Other appropriated funds	\$ 1,000,000

28 The other appropriated funds may be allocated from the following funds:  
 29 board of accountancy fund, acupuncture board of examiners fund, air permits  
 30 administration fund, air quality fund, antitrust enforcement revolving fund,  
 31 board of appraisal fund, Arizona benefits fund, Arizona health care cost  
 32 containment system donations fund, Arizona medical board fund, Arizona  
 33 protected native plant fund, automated fingerprint identification fund, auto  
 34 theft authority fund, automation operations fund, state aviation fund, board  
 35 of barbers fund, board of behavioral health examiners fund, bond fund,  
 36 capital outlay stabilization fund, child abuse prevention fund, child  
 37 fatality review fund, child support enforcement administration fund,  
 38 children's health insurance program fund, board of chiropractic examiners  
 39 fund, citrus, fruit and vegetable revolving fund, collection enforcement  
 40 revolving fund, commerce and economic development commission fund, commercial  
 41 feed fund, confidential intermediary and fiduciary fund, agricultural  
 42 consulting and training fund, consumer fraud revolving fund, corrections  
 43 fund, board of cosmetology fund, crime laboratory assessment fund, criminal  
 44 justice enhancement fund, county fair racing fund, court appointed special  
 45 advocate fund, defensive driving school fund, dental board fund, Arizona  
 46

1 deoxyribonucleic acid identification fund, board of dispensing opticians  
2 fund, drug and gang prevention resource center fund, state education fund for  
3 committed youth, state education fund for correctional education, egg  
4 inspection fund, emergency medical services operating fund, emissions  
5 inspection fund, environmental laboratory licensure fund, estate and  
6 unclaimed property fund, Arizona exposition and state fair fund, federal  
7 child care and development fund block grant, federal surplus materials  
8 revolving fund, federal temporary assistance for needy families block grant,  
9 fertilizer materials fund, board of funeral directors and embalmers fund,  
10 game and fish fund, game, nongame, fish and endangered species fund,  
11 hazardous waste management fund, healthcare group fund, hearing and speech  
12 professionals fund, state highway fund, Arizona highway patrol fund, highway  
13 user revenue fund, board of homeopathic medical examiners fund, housing trust  
14 fund, DHS indirect cost fund, ADEQ indirect cost recovery fund, industrial  
15 commission administrative fund, information technology fund, interagency  
16 service agreements fund, intergovernmental agreements and grants, investment  
17 management regulatory and enforcement fund, job training fund, judicial  
18 collection enhancement fund, land conservation fund administration account,  
19 lease-purchase building operating and maintenance fund, liability set-off  
20 fund, long term care system fund, long-term disability administration  
21 account, state lottery fund, board of medical examiners fund, the miners'  
22 hospital for disabled miners land fund, motor vehicle liability insurance  
23 enforcement fund, motor vehicle pool revolving fund, naturopathic physicians  
24 board of medical examiners fund, newborn screening program fund, board of  
25 nursing fund, nursing care institution administrators' licensing and assisted  
26 living facility managers' certification fund, occupational therapy fund, oil  
27 overcharge fund, board of optometry fund, board of osteopathic examiners  
28 fund, state parks enhancement fund, penitentiary land fund, personnel  
29 division fund, pesticide fund, board of pharmacy fund, board of physical  
30 therapy fund, podiatry fund, postsecondary education fund, prison  
31 construction and operations fund, board for private postsecondary education  
32 fund, Arizona protected native plant fund, board of psychologist examiners  
33 fund, public access fund, public assistance collections fund, racing  
34 administration fund, state radiologic technologist certification fund,  
35 records services fund, recycling fund, registrar of contractors fund,  
36 reservation surcharge revolving fund, residential utility consumer office  
37 revolving fund, board of respiratory care examiners fund, state retirement  
38 system administration account, risk management revolving fund, safety  
39 enforcement and transportation infrastructure fund, schools for the deaf and  
40 the blind fund, securities regulatory and enforcement fund, seed law fund,  
41 sex offender monitoring fund, solid waste fee fund, special administration  
42 fund, special employee health insurance trust fund, special services  
43 revolving fund, spinal and head injuries trust fund, state aid to the courts  
44 fund, Arizona state hospital fund, state board of equalization fund, state  
45 surplus materials revolving fund, structural pest control commission fund,  
46 substance abuse services fund, teacher certification fund, technical

1 registration fund, telecommunications fund, telecommunication fund for the  
2 deaf, telecommunications excise tax fund, tobacco tax and health care fund,  
3 transportation department equipment fund, tribal state compact fund, tourism  
4 fund, used oil fund, utility regulation revolving fund, vehicle inspection  
5 and title enforcement fund, state veterans' conservatorship fund, state home  
6 for veterans' trust fund, veterinary medical examining board fund, victims'  
7 rights fund, watercraft licensing fund, waterfowl conservation fund, water  
8 quality fee fund, and workforce investment act grant.

9 Salary adjustments

10 The amount appropriated for salary adjustments includes personal  
11 services and employee related expenditures for state officers and employees  
12 in accordance with the compensation plans provided by this act.

13 For fiscal year 2005-2006, the joint legislative budget committee staff  
14 shall determine and the department of administration shall allocate to each  
15 agency or department an amount sufficient to increase the annual salary level  
16 of each employee, as required by this section.

17 The joint legislative budget committee staff shall also determine and  
18 the department of administration shall allocate adjustments, as necessary, in  
19 expenditure authority to allow implementation of salary adjustments.

20 The annual salary level of each employee shall be increased by 1.7 per  
21 cent. The exceptions are in lieu of the general salary adjustment. All  
22 adjustments are effective July 2, 2005 and shall apply to less than full-time  
23 employees on a prorated basis.

24 Board and commission members who are paid on a per diem basis, agency  
25 heads who are appointed for a fixed term of office and employees that are  
26 otherwise noted in this act are not eligible for the salary adjustments  
27 required by this section. Distribution of any monies appropriated for the  
28 department of public safety sworn officers shall be determined by the  
29 department of public safety.

30 State employee health insurance adjustments

31 The amount appropriated for state employee health insurance adjustments  
32 shall be for fiscal year 2005-2006 increases in the employer share of state  
33 employee health insurance premiums. The joint legislative budget committee  
34 staff shall determine and the department of administration shall allocate to  
35 each agency's or department's employee related expenditures an amount  
36 sufficient for the employer share of the employee health insurance increases.  
37 The joint legislative budget committee staff shall also determine and the  
38 department of administration shall allocate adjustments, as necessary, in  
39 expenditure authority to allow implementation of state employee health  
40 insurance adjustments.

41 State employee retirement adjustments

42 The amount appropriated for state employee retirement contribution  
43 adjustments shall be for fiscal year 2005-2006 increases in the employer  
44 share of state employee retirement contributions. The joint legislative  
45 budget committee staff shall determine and the department of administration  
46 shall allocate to each agency's or department's employee related expenditures

an amount sufficient for the employer share of the employee retirement contribution increase.

The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of state employee retirement contribution adjustments.

Attorney general pro rata adjustments

The amount appropriated for attorney general legal services cost allocation adjustments shall be for agency and department pro rata share contributions for the attorney general legal services cost allocation charge. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount sufficient to charge the pro rata share contribution of 0.19 per cent to each fund's personal services base.

The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in total expenditure authority to allow implementation of pro rata share contribution adjustments.

The attorney general pro rata contribution shall not be charged to the department of administration risk management fund and any fund administered by the department of water resources, the department of transportation, the Arizona game and fish department, the residential utility consumer office, the industrial commission, the universities, the auditor general, the senate, the house of representatives, the legislative council, the joint legislative budget committee, the Arizona state library, archives and public records, the corporation commission, the advocate for private property rights, the office of the governor, the department of law or any self-supporting regulatory agency as determined by section 35-143.01, Arizona Revised Statutes.

Sec. 107. Legislative intent; expenditure reporting

It is the intent of the legislature that all departments, agencies or budget units receiving appropriations under the terms of this act shall continue to report actual, estimated and requested expenditures by budget programs and budget classes in a format that is similar to the budget programs and budget classes used for budgetary purposes in prior years. A different format may be used if deemed necessary to implement the provisions of section 35-113, Arizona Revised Statutes, agreed to by the director of the joint legislative budget committee, and incorporated into the budget preparation instructions adopted by the governor's office of strategic planning and budgeting pursuant to section 35-112, Arizona Revised Statutes.

Sec. 108. FTE positions; reporting

Full-time equivalent (FTE) positions contained in this act are subject to appropriation. The director of the department of administration shall account for the use of all appropriated FTE positions excluding those in the department of economic security, the universities and the department of environmental quality. The director shall submit fiscal year 2005-2006 reports by February 1, 2006 and August 1, 2006 to the director of the joint

1 legislative budget committee. The reports shall compare the level of FTE  
2 usage in each fiscal year to the appropriated level. The director of the  
3 department of administration shall notify the director of each budget unit if  
4 the budget unit has exceeded its number of appropriated FTE positions. The  
5 above excluded agencies shall each report to the director of the joint  
6 legislative budget committee in a manner comparable to the department of  
7 administration reporting.

8 Sec. 109. Filled FTE positions; reporting

9 By October 1, 2005, each agency, including the judiciary and  
10 universities, shall submit a report to the director of the joint legislative  
11 budget committee on the number of filled, appropriated full-time equivalent  
12 positions by fund source. The number of filled, appropriated full-time  
13 equivalent positions reported shall be as of September 1, 2005.

14 Sec. 110. Transfer of spending authority

15 The department of administration shall report monthly to the director  
16 of the joint legislative budget committee on any transfers of spending  
17 authority made pursuant to section 35-173, subsection C, Arizona Revised  
18 Statutes, during the prior month.

19 Sec. 111. Interim reporting requirements

20 A. The executive branch shall provide to the joint legislative budget  
21 committee a preliminary estimate of the fiscal year 2004-2005 state general  
22 fund ending balance by September 15, 2005. The preliminary estimate of the  
23 fiscal year 2005-2006 state general fund ending balance shall be provided by  
24 September 15, 2006. The estimate shall include projections of total  
25 revenues, total expenditures and ending balance. The department of  
26 administration shall continue to provide the final report for the fiscal year  
27 in its annual financial report pursuant to section 35-131, Arizona Revised  
28 Statutes.

29 B. Based on the information provided by the executive branch, the  
30 staff of the joint legislative budget committee shall report to the joint  
31 legislative budget committee by October 15 of 2005 and 2006 as to whether  
32 that fiscal year's revenues and ending balance are expected to change by more  
33 than \$50,000,000 from the budgeted projections. The executive branch may  
34 also provide its own estimates to the joint legislative budget committee by  
35 October 15 of each year.

36 Sec. 112. Office of strategic planning and budgeting; federal  
37 revenue maximization reporting

38 The office of strategic planning and budgeting shall report to the  
39 joint legislative budget committee by July 1, 2005 and the beginning of each  
40 subsequent calendar quarter in the fiscal year on the status of the federal  
41 revenue maximization initiative. The report, at a minimum, shall include an  
42 update on contracts awarded as a result of the "RevMax" request for  
43 proposals, a summary of projects and the potential savings from each project.  
44 Any reported savings shall distinguish between potential reductions in  
45 current funding levels and foregone future spending increases.

1           Sec. 113. Fiscal year 2005-2006 conditional appropriations

2           A. State general fund revenue for fiscal year 2004-2005, not including  
3 the beginning balance and including one-time revenues, is forecasted to be  
4 \$7,584,843,800. The state general fund revenue forecast for fiscal year  
5 2004-2005 includes \$8,500,000 from judicial collections as part of one-time  
6 revenue and \$111,447,400 for disproportionate share revenue. The staff  
7 director of the joint legislative budget committee and the governor's office  
8 of strategic planning and budgeting may adjust the state general fund revenue  
9 forecast for fiscal year 2004-2005 to reflect changes in the actual amount of  
10 judicial collections and disproportionate share revenue.

11          B. State general fund revenue for fiscal year 2005-2006, not including  
12 the beginning balance and including one-time revenues, is forecasted to be  
13 \$7,918,779,800. The state general fund revenue for fiscal year 2005-2006  
14 includes as one-time revenue an anticipated fund transfer of \$63,000,000 from  
15 the budget stabilization fund and an anticipated fund transfer of \$10,000,000  
16 of in lieu fees collected pursuant to section 49-543, subsection B, paragraph  
17 2, Arizona Revised Statutes, from anticipated enactments by the forty-seventh  
18 legislature, first regular session. The state general fund revenue forecast  
19 for fiscal year 2005-2006 also includes \$91,841,500 for disproportionate  
20 share revenue. The staff director of the joint legislative budget committee  
21 and the governor's office of strategic planning and budgeting may adjust the  
22 state general fund revenue forecast for fiscal year 2005-2006 to reflect  
23 changes in anticipated fund transfers and in disproportionate share revenue.

24          C. On or before July 25, 2005, the staff director of the joint  
25 legislative budget committee and the governor's office of strategic planning  
26 and budgeting shall agree on a monthly forecast for fiscal year 2005-2006  
27 state general fund revenue. After July 25, 2005, the staff director of the  
28 joint legislative budget committee and the governor's office of strategic  
29 planning and budgeting may jointly agree to adjust the monthly revenue  
30 forecast to reflect technical revisions.

31          D. On or before July 31, 2005, the staff director of the joint  
32 legislative budget committee and the governor's office of strategic planning  
33 and budgeting shall jointly notify the governor, the president of the senate  
34 and the speaker of the house of representatives whether the total fiscal year  
35 2004-2005 state general fund revenue, excluding the beginning balance,  
36 exceeded the fiscal year 2004-2005 forecast, and, if so, the total revenue  
37 amount and the amount above the forecast. The amount in excess of the  
38 forecast is appropriated from the state general fund for fiscal year  
39 2005-2006 to the budget stabilization fund established by section 35-144,  
40 Arizona Revised Statutes.

41          E. On or before February 10, 2006, the staff director of the joint  
42 legislative budget committee and the governor's office of strategic planning  
43 and budgeting shall jointly notify the governor, the president of the senate  
44 and the speaker of the house of representatives whether actual fiscal year  
45 2005-2006 state general fund revenue through December 31, 2005, excluding the  
46 beginning balance, exceeded the aggregate monthly forecast through December



1 31, 2005 and, if so, the total revenue amount and the amount above the  
2 forecast. The amount in excess of the forecast is appropriated from the  
3 state general fund for fiscal year 2005-2006 to the budget stabilization fund  
4 established by section 35-144, Arizona Revised Statutes.

5 F. On or before July 31, 2006, the staff director of the joint  
6 legislative budget committee and the governor's office of strategic planning  
7 and budgeting shall jointly notify the governor, the president of the senate  
8 and the speaker of the house of representatives whether the total fiscal year  
9 2005-2006 state general fund revenue, excluding the beginning balance,  
10 exceeded the fiscal year 2005-2006 forecast, and, if so, the total revenue  
11 amount and the amount above the forecast. The amount in excess of the  
12 forecast, less any amount appropriated pursuant to subsection E of this  
13 section, is appropriated from the state general fund for fiscal year  
14 2005-2006 to the budget stabilization fund established by section 35-144,  
15 Arizona Revised Statutes.

16 Sec. 114. Definition

17 For the purposes of this act, "\*" means this appropriation is a  
18 continuing appropriation and is exempt from the provisions of section 35-190,  
19 Arizona Revised Statutes, relating to lapsing of appropriations.

20 Sec. 115. Definition

21 For the purposes of this act, "\*\*\*" means this appropriation is  
22 available for use pursuant to the provisions of section 35-143.01, subsection  
23 C, Arizona Revised Statutes, and is exempt from the provisions of section  
24 35-190, Arizona Revised Statutes, relating to lapsing of appropriations until  
25 June 30, 2007.

26 Sec. 116. Definition

27 For purposes of this act, "expenditure authority" means that the fund  
28 sources are continuously appropriated monies that are included in the  
29 individual line items of appropriations.